



STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN
SERVICES

DIVISION FOR CHILDREN, YOUTH & FAMILIES

Nicholas A. Toumpas
Commissioner

Maggie Bishop
Director

129 PLEASANT STREET, CONCORD, NH 03301-3857
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NHRECOVERY
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October 23, 2009

His Excellency, Governor John H. Lynch
and the Honorable Executive Council
State House
Concord, New Hampshire 03301

REQUESTED ACTION

Authorize the Department of Health and Human Services (DHHS), Division for Children, Youth and Families (DCYF) to enter into an agreement with Lakes Region Community Services Council, INC. (LRCSC), (Vendor #177251) Laconia, New Hampshire in the amount of one-hundred and forty-five thousand and two hundred dollars (\$145,200) to conduct Child Care Resource and Referral services for the Laconia District Office catchment area from January 1, 2010 through June 30, 2011 with the option to renew for two additional two-year periods subject to Governor and Executive Council approval. 100% Federal Funds (22% Federal American Recovery and Reinvestment Act Funds).

Funding is available in the following account with the authority to adjust encumbrances in each of the State fiscal years through the Budget Office if needed and justified.

05-95-40-403510-56890000 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVCS,
HHS: CHILDREN AND YOUTH, CHILD DEVELOPMENT, CHILD CARE DVLP-QUALITY ASSURE

Fiscal Year	Class/Object	Class Title	Activity Code	Amount
SFY 2010	102-500731	Contracts For Program Services	40035201	\$37,777.93
SFY 2011	102-500731	Contracts For Program Services	40035201	<u>\$75,555.85</u>
Subtotal				\$113,333.78

05-95-40-403510-56890000 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVCS,
HHS: CHILDREN AND YOUTH, CHILD DEVELOPMENT, CHILD CARE DVLP-QUALITY ASSURE

Fiscal Year	Class/Object	Class Title	Activity Code	Amount
SFY 2010	102-500731	Contracts For Program Services	40130551	\$10,622.07
SFY 2011	102-500731	Contracts For Program Services	40130551	<u>\$21,244.15</u>
Subtotal				\$31,866.22
Total				\$145,200.00

EXPLANATION

The Division for Children, Youth and Families (DCYF) is designated by the Department of Health and Human Services (DHHS) to administer Child Care and Development Funds (CCDF) as coordinated by the Child Development Bureau (CDB). In addition to supporting the scholarship child care payment system and preventive child care services, these Federal funds are required to be used to increase the availability, accessibility and quality of child care programs throughout the State. This is accomplished through numerous activities including the provision of child care resource and referral services for consumers and providers.

In addition to the activities above, \$31,866.22 in Federal American Recovery and Reinvestment Act (ARRA) funds were included in the contract to implement services related to the Child Care Scholarship Redesign in July and to support families who will be placed on the wait list for NH's Child Care Scholarship Assistance. The use of these funds was a mandatory condition of NH accepting the \$4,736,238 in ARRA funds.

This contract is awarded as the result of a competitive bid process. On July 9, 2009 the DCYF issued a Request for Proposal (RFP) for Child Care Resource & Referral programs to serve the ten (10) District Office catchment areas in the State of New Hampshire. The RFP was published on the Department's web site.

On July 20, 2009 a bidders conference was held and nine prospective bidding agencies sent representatives to the conference. Seven agencies ultimately submitted bids, of which seven were awarded for the ten (10) District Office catchment areas. The following five individuals were selected to review the proposals submitted in response to the RFP:

- Patrick McGowan, the CDB Contract and Fiscal Specialist, has worked for NH's DHHS for four years;
- Ellen Wheatley, the Administrator of CDB, has worked in the field of Early Care and Education (ECE) for over 30 years;
- Kristin Booth, the CDB Child Care Program Improvement Specialist, has monitored the Child Care Resource and Referral (CCR&R) contracts for nearly four years;
- Roberta Royce, the Director of the Winchester Learning Center, is a NH business owner who has frequently utilized the services of her local CCR&R agency; and
- Lisa Strout, the Executive Director for the NH Associate for the Education of Young Children, has a Masters Degree in Child Development and has over 23 years in the ECE field.

The evaluation team's scoring summary is attached to this letter (Appendix A). LRCSC was the only agency to submit a proposal for the Laconia District Office catchment area and by achieving the minimum review score, was awarded the contract.

Performance under this agreement will be measured by the Performance Measures and Outcomes specified in the Agreement to include successfully providing referrals to New Hampshire Employment Program participants, and Financial Assistance to Needy Families (FANF) recipients in need of child care, recruiting new child care providers, including those that shall fill opportunities for specific kinds of care e.g. infant/toddler, bilingual, special needs and non-traditional hours.

October 23, 2009

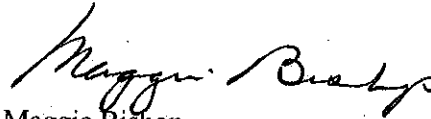
Page 3

Source of Funds: 100% Federal Funds.

Area Served: Laconia District Office catchment area.

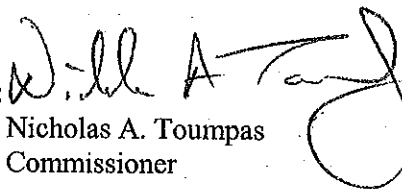
In the event that Federal Funds become no longer available, General Funds will not be requested to support this program.

Respectfully submitted,



Maggie Bishop
Director

Approved By:



Nicholas A. Toumpas
Commissioner

APPENDIX A

Proposal Evaluation Summary All Catchment Areas						
Child Care Resource & Referral Programs - RFP 10-DCYF-CDB-RR-10						
	Rochester DO Catchment Area	Portsmouth/ Salem D.O. Catchment Area	Nashua D.O. Catchment Area		Manchester D.O. Catchment Area	Laconia D.O. Catchment Area
	Rockingham Comm Action	Rockingham Comm Action	Southern NH Services	Easter Seals NH	Easter Seals NH	Lakes Region Comm Sys Council
Bidder Name:						
Overall Review - Up to 20 points each criteria						
Subtotal Average points Overall Review	92.0	92.8	94.4	82.6	96.4	77.8
Value 10% of Total	9.2	9.3	9.4	8.26	9.6	7.8
Experience - Up to 20 Points each criteria						
Subtotal Average Points Experience	98.8	98.8	99.2	90	99.0	89.8
Value 25% of Total	24.7	24.7	24.8	22.5	24.8	22.5
Program Description - Up to 20 Points each criteria						
Subtotal Average Points Program Description	89.2	90.0	93.8	85.8	84.8	70.2
Value 25% of Total	22.3	22.5	23.5	21.45	21.2	17.6
Cost and Resources - Up to 20 Points each criteria						
Subtotal Average Points Cost and Resources	89.4	92.8	90.6	88.8	86.8	77.6
Value 30% of Total	26.8	27.8	27.2	26.64	26.0	23.3
Other - Up to 20 Points each criteria						
Subtotal Average Points Other	95.8	95.4	99.8	91	98.6	63.2
Value 10% of Total	9.6	9.5	10.0	9.1	9.86	6.3
Grand Total	92.6	93.9	94.9	87.95	91.5	77.4

APPENDIX A

Proposal Evaluation Summary All Catchment Areas

Child Care Resource & Referral Programs - RFP 10-DCYF-CDB-RR-10

		Keene DO Catchment Area	Conway D.O. Catchment Area	Claremont D.O. Catchment Area	Concord D.O. Catchment Area	Berlin/ Littleton D.O. Catchment Area
Bidder Name:		Easter Seals NH	White Mt Cmty Health Center	Claremont School District/21C	Easter Seals	CCSNH-Berlin
Overall Review - Up to 20 points each criteria						
Subtotal Average points Overall Review		89.2	86.2	92.8	86.0	95.4
Value 10% of Total		8.9	8.6	9.3	8.6	9.5
Experience - Up to 20 Points each criteria						
Subtotal Average Points Experience		96.4	87.2	93.6	96.0	92.2
Value 25% of Total		24.1	21.8	23.4	24.0	23.1
Program Description - Up to 20 Points each criteria						
Subtotal Average Points Program Description		87.2	85.0	81.0	84.6	87.4
Value 25% of Total		21.8	21.3	20.3	21.2	21.9
Cost and Resources - Up to 20 Points each criteria						
Subtotal Average Points Cost and Resources		89.0	86.6	91.4	89.6	90.2
Value 30% of Total		26.7	26.0	27.4	26.9	27.1
Other - Up to 20 Points each criteria						
Subtotal Average Points Other		91.0	83.6	91.2	96.0	89.2
Value 10% of Total		9.1	8.4	9.1	9.6	8.9
Grand Total		90.6	86.0	89.5	90.2	90.4

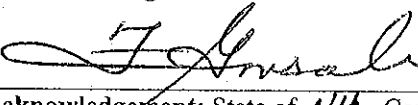
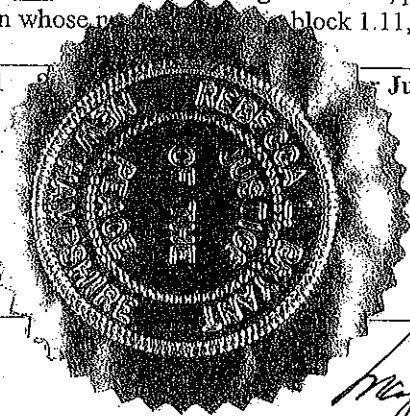
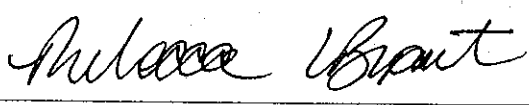
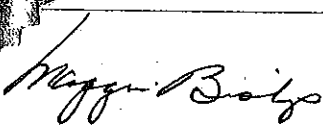
Subject: Child Care Resource and Referral Services

AGREEMENT

The State of New Hampshire and the Contractor hereby mutually agree as follows:

GENERAL PROVISIONS

1. IDENTIFICATION.

1.1 State Agency Name Dept. of Health and Human Services Division for Children, Youth & Families Child Development Bureau		1.2 State Agency Address 129 Pleasant St. Concord, NH 03301	
1.3 Contractor Name Lakes Region Community Services Council, INC.		1.4 Contractor Address 67 Communications Drive Laconia, NH 03246	
1.5 Contractor Phone Number 603-524-8811	1.6 Account Number 05-95-40-403510-5689-102	1.7 Completion Date June 30, 2011	1.8 Price Limitation \$145,200.00
1.9 Contracting Officer for State Agency Patrick McGowan		1.10 State Agency Telephone Number 603-271-4843	
1.11 Contractor Signature 		1.12 Name and Title of Contractor Signatory Fran Gonsalves, Vice-President, Board of Directors	
1.13 Acknowledgement: State of <u>NH</u> , County of <u>Belknap</u> On <u>10/5/09</u> , before the undersigned officer, personally appeared the person identified in block 1.12, or satisfactorily proven to be the person whose name is in block 1.11, and acknowledged that s/he executed this document in the capacity indicated in block 1.12.			
1.13.1 Justice of the Peace 			
1.13 Justice of the Peace		REBECCA L. BRYANT, Justice of the Peace My Commission Expires April 1, 2014	
1.14 		1.15 Name and Title of State Agency Signatory Maggie Bishop, Director	
1.16 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By: _____ Director, On: _____			
1.17 Approval by the Attorney General (Form, Substance and Execution) By: <u>Karen Schlitzer</u> <u>Karen Schlitzer</u> On: <u>11/10/09</u>			
1.18 Approval by the Governor and Executive Council By: _____ On: _____			

2. EMPLOYMENT OF CONTRACTOR SERVICES TO BE PERFORMED. The State of New Hampshire, acting through the agency identified in block 1.1 ("State"), engages contractor identified in block 1.3 ("Contractor") to perform, and the Contractor shall perform, the work or sale of goods, or both, identified and more particularly described in the attached EXHIBIT A which is incorporated herein by reference ("Services").

3. EFFECTIVE DATE/COMPLETION OF SERVICES.

3.1 Notwithstanding any provision of this Agreement to the contrary, and subject to the approval of the Governor and Executive Council of the State of New Hampshire, this Agreement, and all obligations of the parties hereunder, shall not become effective until the date the Governor and Executive Council approve this Agreement ("Effective Date").

3.2 If the Contractor commences the Services prior to the Effective Date, all Services performed by the Contractor prior to the Effective Date shall be performed at the sole risk of the Contractor, and in the event that this Agreement does not become effective, the State shall have no liability to the Contractor, including without limitation, any obligation to pay the Contractor for any costs incurred or Services performed. Contractor must complete all Services by the Completion Date specified in block 1.7.

4. CONDITIONAL NATURE OF AGREEMENT.

Notwithstanding any provision of this Agreement to the contrary, all obligations of the State hereunder, including, without limitation, the continuance of payments hereunder, are contingent upon the availability and continued appropriation of funds, and in no event shall the State be liable for any payments hereunder in excess of such available appropriated funds. In the event of a reduction or termination of appropriated funds, the State shall have the right to withhold payment until such funds become available, if ever, and shall have the right to terminate this Agreement immediately upon giving the Contractor notice of such termination. The State shall not be required to transfer funds from any other account to the Account identified in block 1.6 in the event funds in that Account are reduced or unavailable.

5. CONTRACT PRICE/PRICE LIMITATION/ PAYMENT.

5.1 The contract price, method of payment, and terms of payment are identified and more particularly described in EXHIBIT B which is incorporated herein by reference.

5.2 The payment by the State of the contract price shall be the only and the complete reimbursement to the Contractor for all expenses, of whatever nature incurred by the Contractor in the performance hereof, and shall be the only and the complete compensation to the Contractor for the Services. The State shall have no liability to the Contractor other than the contract price.

5.3 The State reserves the right to offset from any amounts otherwise payable to the Contractor under this Agreement those liquidated amounts required or permitted by N.H. RSA 80:7 through RSA 80:7-c or any other provision of law.

5.4 Notwithstanding any provision in this Agreement to the contrary, and notwithstanding unexpected circumstances, in no event shall the total of all payments authorized, or actually made hereunder, exceed the Price Limitation set forth in block 1.8.

6. COMPLIANCE BY CONTRACTOR WITH LAWS AND REGULATIONS/ EQUAL EMPLOYMENT OPPORTUNITY.

6.1 In connection with the performance of the Services, the Contractor shall comply with all statutes, laws, regulations, and orders of federal, state, county or municipal authorities which impose any obligation or duty upon the Contractor, including, but not limited to, civil rights and equal opportunity laws. In addition, the Contractor shall comply with all applicable copyright laws.

6.2 During the term of this Agreement, the Contractor shall not discriminate against employees or applicants for employment because of race, color, religion, creed, age, sex, handicap, sexual orientation, or national origin and will take affirmative action to prevent such discrimination.

6.3 If this Agreement is funded in any part by monies of the United States, the Contractor shall comply with all the provisions of Executive Order No. 11246 ("Equal Employment Opportunity"), as supplemented by the regulations of the United States Department of Labor (41 C.F.R. Part 60), and with any rules, regulations and guidelines as the State of New Hampshire or the United States issue to implement these regulations. The Contractor further agrees to permit the State or United States access to any of the Contractor's books, records and accounts for the purpose of ascertaining compliance with all rules, regulations and orders, and the covenants, terms and conditions of this Agreement.

7. PERSONNEL.

7.1 The Contractor shall at its own expense provide all personnel necessary to perform the Services. The Contractor warrants that all personnel engaged in the Services shall be qualified to perform the Services, and shall be properly licensed and otherwise authorized to do so under all applicable laws.

7.2 Unless otherwise authorized in writing, during the term of this Agreement, and for a period of six (6) months after the Completion Date in block 1.7, the Contractor shall not hire, and shall not permit any subcontractor or other person, firm or corporation with whom it is engaged in a combined effort to perform the Services to hire, any person who is a State employee or official, who is materially involved in the procurement, administration or performance of this Agreement. This provision shall survive termination of this Agreement.

7.3 The Contracting Officer specified in block 1.9, or his or her successor, shall be the State's representative. In the event of any dispute concerning the interpretation of this Agreement, the Contracting Officer's decision shall be final for the State.

8. EVENT OF DEFAULT/REMEDIAL

8.1 Any one or more of the following acts or omissions of the Contractor shall constitute an event of default hereunder ("Event of Default"):

8.1.1 failure to perform the Services satisfactorily or on schedule;

8.1.2 failure to submit any report required hereunder; and/or

8.1.3 failure to perform any other covenant, term or condition of this Agreement.

8.2 Upon the occurrence of any Event of Default, the State may take any one, or more, or all, of the following actions:

8.2.1 give the Contractor a written notice specifying the Event of Default and requiring it to be remedied within, in the absence of a greater or lesser specification of time, thirty (30) days from the date of the notice; and if the Event of Default is not timely remedied, terminate this Agreement, effective two (2) days after giving the Contractor notice of termination;

8.2.2 give the Contractor a written notice specifying the Event of Default and suspending all payments to be made under this Agreement and ordering that the portion of the contract price which would otherwise accrue to the Contractor during the period from the date of such notice until such time as the State determines that the Contractor has cured the Event of Default shall never be paid to the Contractor;

8.2.3 set off against any other obligations the State may owe to the Contractor any damages the State suffers by reason of any Event of Default; and/or

8.2.4 treat the Agreement as breached and pursue any of its remedies at law or in equity, or both.

9. DATA/ACCESS/CONFIDENTIALITY/PRESERVATION.

9.1 As used in this Agreement, the word "data" shall mean all information and things developed or obtained during the performance of, or acquired or developed by reason of, this Agreement, including, but not limited to, all studies, reports, files, formulae, surveys, maps, charts, sound recordings, video recordings, pictorial reproductions, drawings, analyses, graphic representations, computer programs, computer printouts, notes, letters, memoranda, papers, and documents, all whether finished or unfinished.

9.2 All data and any property which has been received from the State or purchased with funds provided for that purpose under this Agreement, shall be the property of the State, and shall be returned to the State upon demand or upon termination of this Agreement for any reason.

9.3 Confidentiality of data shall be governed by N.H. RSA chapter 91-A or other existing law. Disclosure of data requires prior written approval of the State.

10. TERMINATION. In the event of an early termination of this Agreement for any reason other than the completion of the Services, the Contractor shall deliver to the Contracting Officer, not later than fifteen (15) days after the date of termination, a report ("Termination Report") describing in detail all Services performed, and the contract price earned, to and including the date of termination. The form, subject matter, content, and number of copies of the Termination

Report shall be identical to those of any Final Report described in the attached EXHIBIT A.

11. CONTRACTOR'S RELATION TO THE STATE. In the performance of this Agreement the Contractor is in all respects an independent contractor, and is neither an agent nor an employee of the State. Neither the Contractor nor any of its officers, employees, agents or members shall have authority to bind the State or receive any benefits, workers' compensation or other emoluments provided by the State to its employees.

12. ASSIGNMENT/DELEGATION/SUBCONTRACTS.

The Contractor shall not assign, or otherwise transfer any interest in this Agreement without the prior written consent of the N.H. Department of Administrative Services. None of the Services shall be subcontracted by the Contractor without the prior written consent of the State.

13. INDEMNIFICATION. The Contractor shall defend, indemnify and hold harmless the State, its officers and employees, from and against any and all losses suffered by the State, its officers and employees, and any and all claims, liabilities or penalties asserted against the State, its officers and employees, by or on behalf of any person, on account of, based or resulting from, arising out of (or which may be claimed to arise out of) the acts or omissions of the Contractor. Notwithstanding the foregoing, nothing herein contained shall be deemed to constitute a waiver of the sovereign immunity of the State, which immunity is hereby reserved to the State. This covenant in paragraph 13 shall survive the termination of this Agreement.

14. INSURANCE.

14.1 The Contractor shall, at its sole expense, obtain and maintain in force, and shall require any subcontractor or assignee to obtain and maintain in force, the following insurance:

14.1.1 comprehensive general liability insurance against all claims of bodily injury, death or property damage, in amounts of not less than \$250,000 per claim and \$2,000,000 per occurrence; and

14.1.2 fire and extended coverage insurance covering all property subject to subparagraph 9.2 herein, in an amount not less than 80% of the whole replacement value of the property.

14.2 The policies described in subparagraph 14.1 herein shall be on policy forms and endorsements approved for use in the State of New Hampshire by the N.H. Department of Insurance, and issued by insurers licensed in the State of New Hampshire.

14.3 The Contractor shall furnish to the Contracting Officer identified in block 1.9, or his or her successor, a certificate(s) of insurance for all insurance required under this Agreement. Contractor shall also furnish to the Contracting Officer identified in block 1.9, or his or her successor, certificate(s) of insurance for all renewal(s) of insurance required under this Agreement no later than fifteen (15) days prior to the expiration date of each of the insurance policies. The certificate(s) of insurance and any renewals thereof shall be attached and are incorporated herein by reference. Each

certificate(s) of insurance shall contain a clause requiring the insurer to endeavor to provide the Contracting Officer identified in block 1.9, or his or her successor, no less than ten (10) days prior written notice of cancellation or modification of the policy.

15. WORKERS' COMPENSATION.

15.1 By signing this agreement, the Contractor agrees, certifies and warrants that the Contractor is in compliance with or exempt from, the requirements of N.H. RSA chapter 281-A ("Workers' Compensation").

15.2 To the extent the Contractor is subject to the requirements of N.H. RSA chapter 281-A, Contractor shall maintain, and require any subcontractor or assignee to secure and maintain, payment of Workers' Compensation in connection with activities which the person proposes to undertake pursuant to this Agreement. Contractor shall furnish the Contracting Officer identified in block 1.9, or his or her successor, proof of Workers' Compensation in the manner described in N.H. RSA chapter 281-A and any applicable renewal(s) thereof, which shall be attached and are incorporated herein by reference. The State shall not be responsible for payment of any Workers' Compensation premiums or for any other claim or benefit for Contractor, or any subcontractor or employee of Contractor, which might arise under applicable State of New Hampshire Workers' Compensation laws in connection with the performance of the Services under this Agreement.

16. WAIVER OF BREACH. No failure by the State to enforce any provisions hereof after any Event of Default shall be deemed a waiver of its rights with regard to that Event of Default, or any subsequent Event of Default. No express failure to enforce any Event of Default shall be deemed a waiver of the right of the State to enforce each and all of the provisions hereof upon any further or other Event of Default on the part of the Contractor.

17. NOTICE. Any notice by a party hereto to the other party shall be deemed to have been duly delivered or given at the time of mailing by certified mail, postage prepaid, in a United States Post Office addressed to the parties at the addresses given in blocks 1.2 and 1.4, herein.

18. AMENDMENT. This Agreement may be amended, waived or discharged only by an instrument in writing signed by the parties hereto and only after approval of such amendment, waiver or discharge by the Governor and Executive Council of the State of New Hampshire.

19. CONSTRUCTION OF AGREEMENT AND TERMS.

This Agreement shall be construed in accordance with the laws of the State of New Hampshire, and is binding upon and inures to the benefit of the parties and their respective successors and assigns. The wording used in this Agreement is the wording chosen by the parties to express their mutual intent, and no rule of construction shall be applied against or in favor of any party.

20. THIRD PARTY BENEFIT. The parties hereto do not intend to benefit any third parties and this Agreement shall not be construed to confer any such benefit.

21. HEADINGS. The headings throughout the Agreement are for reference purposes only, and the words contained therein shall in no way be held to explain, modify, amplify or aid in the interpretation, construction or meaning of the provisions of this Agreement.

22. SPECIAL PROVISIONS. Additional provisions set forth in the attached EXHIBIT C are incorporated herein by reference.

23. SEVERABILITY. In the event any of the provisions of this Agreement are held by a court of competent jurisdiction to be contrary to any state or federal law, the remaining provisions of this Agreement will remain in full force and effect.

24. ENTIRE AGREEMENT. This Agreement, which may be executed in a number of counterparts, each of which shall be deemed an original, constitutes the entire Agreement and understanding between the parties, and supersedes all prior Agreements and understandings relating hereto.

**EXHIBIT A
SCOPE OF SERVICES**

DATE: September 15, 2009

CONTRACT: Laconia D.O. Catchment Area CC Resource and Referral Program

CONTRACT PERIOD: January 1, 2010 to June 30, 2011

CONTRACTOR NAME: Lakes Region Community Services Council, INC.

ADDRESS: 67 Communications Drive

Laconia, NH 03246

TELEPHONE: 603-524-8811

REPRESENTATIVE: FRAN GONSALVES

TITLE: VICE PRESIDENT, BOARD OF DIRECTORS

1. Provisions Applicable To All Services

The Contractor hereafter agrees:

1.1 That, to the extent future legislative action by the New Hampshire General Court or Federal or State court orders may have an impact on the Services described herein, the State has the right to modify Service priorities and expenditure requirements under this Contract so as to achieve compliance therewith, in which event the price limitations for such Service(s) shall be renegotiated;

1.2 To use its best efforts to apply for any and all appropriate public and private sources of funds that are applicable to the funding of the Services described herein. Appropriate records shall be maintained by the Contractor to document actual funds received or denials of funding from such sources of funds;

1.3 To complete the full scope of services in Exhibit A; and

1.4 To serve families and providers in the Laconia District Office (DO) catchment area in need of child care resource, referral, recruitment, and/or educational training.

2. Services To Be Provided:

2.1 Perform the services of this contract in accordance with the following program goals:

- a. Ensure that high quality, culturally competent; Child Care Resource & Referral (CCR&R) services are known and accessible to the widest possible number of families, providers, businesses and community members within the catchment area, including services to

Contractor's Initials

FG

Date

10/5/09

limited English proficient families and providers, and in consideration of a variety of diversity issues;

- b. Serve as a resource of data and information regarding early care and education (ECE);
- c. Provide high quality referrals and consumer education to families seeking child care including but not limited to families receiving NH child care scholarship funds or who are on a wait list to do so;
- d. Increase the accessibility of child care within the catchment area through recruitment of child care providers that meet the needs of families;
- e. Positively impact the quality of child care within the catchment area by increasing the knowledge of child care providers of the Early Childhood Core Knowledge Areas through technical assistance and training opportunities; and
- f. Use technology as appropriate and feasible for purposes that may include, but not be limited to providing referrals and consumer information to families, training to child care providers, attending meetings, and information dissemination.

2.2 Outreach to the Laconia District Office Catchment areas by:

- a. Maintaining an office located in downtown Laconia within the Family Resource Center of Central New Hampshire – a community-based center for families seeking information, resources and supports. Lakes Region Community Services Council (LRCSC) shall strive to serve all populations including, but not limited to families, providers and community members (including agencies, policy makers, public officials and businesses) within the catchment area. Office hours shall be 8:00 AM to 4:30 PM and services shall be available face-to-face and by phone;
- b. Providing CCR&R with its own dedicated toll-free number. In addition, LRCSC shall have local telephone numbers at each of its offices, which have the ability to connect with the CCR&R Office. Voice mail is available, which shall inform clients of the CCR&R hours;
- c. Having an email address that is utilized for communicating with families, providers and community members. In addition a child care web page shall be maintained for the Lakes Region Early Childhood Family Support that links directly to the CCR&R;
- d. Accessing information and forwarding all information electronically through email and access to the NHCCRR.org website as well as the LRCSC website. Information shall include, but is not limited to information pertaining to children, child care and child care providers regarding licensing issues, health and safety, recalls of products, and updates from the NH Department of Health and Human Services (DHHS) and the Child Development Bureau (CDB);
- e. Providing one-to-one counseling on child care search activities at the NH WORKS and Laconia DO on a regular basis and maintaining contact and a working relationship with the staff at both facilities;

Contractor's Initials FG

Date 10/5/09

- f. Attending all New Hampshire Employment Program (NHEP) orientations, unless notified by the NHEP staff that there is no one attending who has children under the age of thirteen (13) years, during which time families, as well as staff, can access CCR&R services and CCR&R staff can provide information packets for the NHEP participants, which shall include, but not be limited to, information on quality indicators of child care, interviewing a child care provider and children's growth, and development;
- g. Visiting child care programs in an effort to outreach, identify areas of need for child care providers, market their services, develop a relationship with and knowledge of the child care community, and provide technical assistance to improve quality;
- h. Establishing a Memorandum of Agreement (MOA) within 90 days of the contract with the local Family Resource Center (FRC) such that LRCSC and the FRC shall refer clients to each other's programs as appropriate and coordinate staff training. In the MOA, there shall be at least quarterly contact with the local FRC;
- i. Maintaining a working relationship with the CDB and work with the Child Care Program Improvement Specialist to work on performance goals and all other contractual obligations maintaining regular contact during monthly meetings, sites visits and ongoing contact. LRCSC shall compile all quarterly and annual reports measuring performance goals in a timely fashion;
- j. On Attachment C or a similar form provided by CDB, report on the following performance measures on a quarterly basis:
 - (1) The number of visits made to providers: center, licensed family, licensed exempt family child care, and potential providers;
- k. On Attachment C or a similar form provided by CDB, report the following other data on a quarterly basis:
 - (1) The number of visits made to the DOs and NHEP offices and the nature of those visits; and
 - (2) The number of NHEP Orientations attended and the number not attended along with the reason why the Orientation was not attended or held.

2.3 Serve as a resource to the Laconia District Office Catchment area by:

- a. Providing stakeholders, community members, DHHS, local and national organizations with accurate data and information relative to Early Childhood Education Center issues. Laconia CCR&R shall work within the framework of the Family Resource Center of Central New Hampshire to obtain additional data related to early childhood education including, but not limited to early intervention, preventative child abuse, and school readiness;
- b. Updating the National Association of Child Care Resource and Referral Agencies (NACCRRA) Suite of Data Services (SDS) annually and on an ongoing basis when new information is received. In addition:

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- (1) A survey shall be sent/emailed to child care providers within the catchment area annually in order to access updated information including, but not be limited to address changes or change in licensing status. Follow-up phone calls are made to all providers annually if their information is not returned through the mail or via email;
 - (2) Specific needs for child care shall be tracked including, but not limited to the availability of infant care, non-traditional hours, and children with special needs;
 - (3) The LRCSC CCR&R shall compile and maintain detailed statistical records which include the number of calls received from families and others, the number of families receiving services through DHHS, referral services provided and their outcome, calls from potential providers, number of new providers recruited, the contacts made within the community and other relevant data. At least 80% of the standardized data fields for each of these groups shall be completed, including those required by the CDB and NACCRR. NACCRRAware will be the primary tool to accomplish the above items;
- c. Publishing and distributing a quarterly newsletter called *Provider Pages*. The quarterly newsletter shall be mailed out to child care providers and other interested community members. The information within the newsletter shall include, but not limited to information from the CDB, information from CDB contractors, statewide information and resources focused on the local child care community. Also, trainings within the catchment area and statewide are advertised that meet NH Child Care Licensing Standards. There shall also be information that is pertinent to families including, but not limited to policy, health, and safety issues. *Provider Pages* is sent in hard copy through the postal service and also emailed to providers who have an email address. LRCSC shall be very vigilant about ensuring that all providers' addresses are maintained and kept up to date so that licensed/ licensed exempt/school age and other community stakeholders receive these training opportunities.
- LRCSC shall charge a fee for any for-profit entity to advertise in a hard copy of the CCR&R newsletter. All fees collected for advertisements shall be used to meet the goals of this contract. No more than one page or 10% of the entire newsletter can be devoted to for-profit advertising. For-profit entities can advertise free of charge in electronic versions of the CCR&R newsletter and e-mail blasts that are sent by LRCSC. The frequency of for-profit advertisement shall be up to the sole discretion of the contract agency. All electronic or regular correspondence regarding for-profit entities shall include the following statement, "This advertisement does not necessarily represent the views of the NH Department of Health and Human Services, the Division for Children, Youth and Families, or the Child Development Bureau;"
- d. Providing training opportunities and other ECE related printed material to be distributed through postal mail for those who do not have email and sent by email for those who have access. Trainings shall be posted on the NHCCRR website and the LRCSC website. Trainings shall also be advertised through the newsletter, *Provider Pages*. The NHCCRR website shall also be updated with current trainings on a monthly basis; and
 - e. On Attachment C or a similar form provided by CDB, report the following other data on a quarterly basis:

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- (1) The number of providers whose information was updated and whether or not it was a full or partial update;
- (2) Responses to the request from DHHS or inform the CDB in its quarterly report when they have responded to such a request; and
- (3) The date the quarterly newsletter was e-mailed or mailed.

2.41 Refer families to providers by:

- a. Maintaining and collecting up-to-date information through use of the NACCRRRA SDS database on child care providers operating within the catchment area for the purposes of providing individualized referrals to families, in-person, over the telephone or through the website www.nhccrr.org;
- b. Providing free child care referral services and consumer education to families at the DO, NHEP, and families in the communities within the catchment area utilizing the best practices as outlined in NACCRRRA's Quality Assurance Program. Such best practices include, but are not limited to:
 - (1) Returning phone calls/voice mails within one business day;
 - (2) Establishing a rapport with the parent, grandparent, guardian, listening actively, asking open-ended questions and being sensitive to the needs and time constraints voiced by the client;
 - (3) Advising parents/grandparents/guardians that the referral is a free service, confidentiality is maintained, disclaimer and complaint policy around CCR&R are stated;
 - (4) Giving referrals, as well as oral and written consumer education in a manner that is sensitive to all families represented in the service delivery area; and
 - (5) Presenting families with useful information on quality indicators, average cost and care and any financial assistance information; Providing education and support via phone to families based upon their individual needs in their search for child care;
- c. Providing child care referral services to all families free of charge that best suits their needs. Family choice is respected with faith-based care and options outside the database provided to families upon request. Families shall receive at least three referrals with family choice remaining paramount and no more than 15 referrals are given as recommended by Quality Assurance through NACCRRRA;
- d. Providing education and support via phone to families based upon their individual needs in their search for child care. Materials sent to families shall include but not be limited to:
 - (1) A cover letter stating that the referral is free and confidential. The disclaimer will state at the bottom of the letter that the provider referrals are not recommendations;

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- (2) A list of child care programs based on the needs and preferences of the family;
 - (3) Child care option comparison;
 - (4) Four Steps to Selecting a Child Care Provider;
 - (5) Financial Assistance Options;
 - (6) A summary of NH Child Care Regulations;
 - (7) "Why Choosing Quality Child Care Matters";
 - (8) "Is this the Right Place for My Child?" – NACCRRRA;
 - (9) Frequently Asked Questions;
 - (10) A Family Resource Center insert; and
 - (11) Various age appropriate materials addressing the concerns of the client, on topics such as biting, child development, and literacy;
- e. Working closely with the local DO and the NHEP Employment Counselor Specialist at the NH WORKS offices as well as the CDB's Child Care Improvement Specialist to ensure the needs of the families being served by DHHS and FANF families are being met. LRCSC shall participate on community initiatives with the staff of these program areas within DHHS and participate in a dialogue focused on child care issues;
- f. Routinely attending NHEP orientations to assist NHEP clients with children under the age of thirteen (13) years, during which time families, as well as staff, can access CCR&R services. LRCSC shall provide clients with referral packets that shall include, but not be limited to, information on interviewing a child care provider, and information on growth and development. The CCR&R Manager shall also be available by phone and email during office hours. LRCSC shall also:
- (1) Work with NHEP clients to ensure that they secure child care as soon as possible. As a component of the one-to-one counseling system, a plan for two week and four week follow-up is implemented, with the goal of securing child care services as soon as possible for those NHEP participants who identify themselves as unable to find child care, and are therefore unable to participate in their work/training activities. A tracking system shall be utilized to facilitate this process;
 - (2) Have regular contact with the Laconia District Office staff and NHEP staff. The Laconia CCR&R shall work closely with the Child Care Program Improvement Specialist to ensure that the services of the CCR&R agency are fully available to all families with whom they are working. LRCSC shall provide referral services at the DO and/or the NHEP office. Referrals shall also be done at the Central NH Family Resource Center; and

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- (3) Provide one-on-one counseling on child care search activities, at the request of the NHEP participant or at the referral of the NHEP ECS. A system of follow-up support at two weeks and four weeks shall be utilized to provide further support for the participant's search;

LRCSC shall follow all current Division of Family Assistance and Department of Health and Human Services confidentiality policies;

- g. On Attachment C or a similar form provided by CDB, report on the following performance measures on a quarterly basis:
 - (1) The total number of families receiving referrals;
 - (2) The number of families receiving referrals with CCR&R assistance; and
 - (3) The number of FANF clients assisted by the CCR&R;
 - h. On Attachment C or a similar form provided by CDB, report the following other data on a quarterly basis:
 - (1) The number of families receiving referrals via the web;
 - (2) The number of new families served;
 - (3) The number of previous families seeking new information that were served; and
 - (4) The number of families served through the DO.
- 2.42 Conduct wait list activities that assist families who are eligible to receive NH child care scholarship funds, but who are on or released from a wait list to secure child care services as soon as possible utilizing the following process:
- a. Access New Hampshire Electronic Application System (NH EASY) daily to identify any new families who have been put on the wait list;
 - b. Contact families by phone, or mail if no phone number is available;
 - c. Upon contact, determine a family's child care needs while they are on the wait list by following the steps below:
 - (1) Determine if the family has already identified a provider they want to use while on the wait list;
 - (2) If the family does not have a provider, assist them with referrals, other ideas of where to locate a provider, and consumer education to find a provider as soon as possible;
 - (3) Once a provider has been identified, determine if this is the provider they want to use when they come off the wait list;

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- (4) If yes to (3) above, assist the provider with the CDB's enrollment process if they are not enrolled;
 - (5) If the family is uncertain or wishes to use a different provider once released from the wait list, assist the family with finding a provider that they wish to use after they are released;
 - (6) After a month, contact the family to determine if their current provider is the one they want to continue to use once they are released from the wait list;
 - (7) If yes to (6) above, assist the providers with the enrollment process with the CDB;
 - (8) If no to (6) above, provide the family with referrals and consumer education to child care programs;
- d. Access NH EASY daily to identify families who have been released from the wait list and help those families secure and maintain child care scholarships by:
- (1) Assisting with completion and submission of Form 2530 within 15 days;
 - (2) Informing them that if they do not return Form 2530 within 30 days, their child care scholarship will be closed, they will have to reapply, and they will be placed at the bottom of the wait list again;
 - (3) Assisting families to enroll with a provider; and
 - (4) Informing families that if the provider is not paid for services within 90 days, their child care scholarship will be closed, they will have to reapply, and they will be placed at the bottom of the wait list again;
- e. On Attachment C or a similar form provided by CDB, report the following other data on a quarterly basis:
- (1) The number of families identified as being put on the wait list;
 - (2) The number of families on the wait list receiving referrals;
 - (3) The number of families released from the wait list receiving referrals;
 - (4) The number of providers assisted with the enrollment process; and
 - (5) The number of contacts with a family from the time they go on the wait list until they are released from the wait list and are enrolled with a provider.

2.43 Follow-up with families using a system of evaluation to access how well the program is meeting the needs of all families and if the family found care that met their needs. The ultimate goal is to follow-up with 100% of families served. No less than 20% of families served by the CCR&R shall be successfully followed up with. LRCSC shall make every effort to follow-up

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with families through telephone, mail, and email. Priority shall be given to families who are either receiving FANF or who are on the wait list. In addition LRCSC shall:

- a. On Attachment C or a similar form provided by CDB, report on the following performance measures on a quarterly basis:
 - (1) The percent of families successfully surveyed;
 - (2) The percent of families surveyed who were successful in finding care;
 - (3) The percent of FANF families who were surveyed who were successful in finding care and did not identify inability to find child care as a barrier to work activity participation;
 - (4) The percent of families on the wait list who were surveyed and were successful in finding care they can afford until they are released from the wait list;
 - (5) The percent of families who had all of their child care needs met by the care they chose;
- b. On Attachment C or a similar form provided by CDB, report the following other data on a quarterly basis:
 - (1) The total number of clients assisted by the CCR&R;
 - (2) The number of FANF clients assisted by the CCR&R;
 - (3) The number of follow-up attempts made;
 - (4) The number of follow-up surveys completed;
 - (5) The number of families satisfied with the care they found;
 - (6) The number of families that chose not to use care;
 - (7) The number of families whose search was still in process;
 - (8) The number of families who were unable to locate care;
 - (9) Any child care needs of the family that were not met by their child care choice or options;
 - (10) Any unmet child care needs of families on the wait list;
 - (11) The number of families who chose care from the referral list(s) they received from the CCR&R;
 - (12) The number of families who found the referrals they received helpful;

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- (13)The number of families who found the consumer education they received over the phone helpful;
 - (14)The number of families who found the written or posted consumer education they received or accessed helpful;
 - (15)The number of families who report they were able to identify indicators of quality in child care programs; and
 - (16)The number of families who report that the CCR&R services were culturally competent;
- c. Develop an improvement plan by choosing one area where families' needs were not met and one area where referral services were not helpful and develop and implement a plan to meet this need and improve this service; and
 - d. Use the following non-inclusive list of key indicators to follow-up with families:
 - (1)Was the consumer education packet received in a timely manner and was it deemed to be helpful to them?;
 - (2)If the family chose not to use care, why?;
 - (3)Is the care meeting the needs of families?;
 - (4)Were they able to secure care? If not, what were the barriers?; and
 - (5)Are there child care needs that are unmet in the area? Non-traditional hours, infant care, special needs?

2.5 Recruit child care providers by:

- a. Developing resources to fill the unmet child care needs in the catchment area including, but not limited to infant care, non-traditional hours and care for children with special needs. The CCR&R shall work with community groups to examine the unmet child care needs that exist in the community focusing directly on non-traditional care. LRCSC shall:
 - (1)Hold two informational recruitment fairs annually, one in the spring and one in the fall. These fairs shall have a training component on how to start your own child care business;
 - (2)Talk to students that are majoring in early childhood education at Laconia Community College about early childhood careers;
 - (3)Write and submit articles to the local newspapers about the unmet child care needs in the community;
 - (4)Host two community forums looking at non-traditional care and special needs care especially as it relates to the culturally diverse families within the catchment area;

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(5) Work with the business community, assisting them to understand the complex child care issues facing families in the workplace;

- b. Working to fill the unmet needs of families on the wait list including, but not limited to infant care, non-traditional hours and children with special needs. Existing providers shall be encouraged to legally expand their programs in order to meet unmet needs that have been identified such as non-traditional hours, infant care and special needs care;
- c. Contacting new license exempt providers as identified by the CDB and providing them with a phone call/newsletter/training opportunities;
- d. Developing and implementing an outreach and publicity plan to make licensed providers aware of the opportunity to become certified to provide Preventative and Protective care;
- e. On Attachment C or a similar form provided by CDB, report on the following performance measures on a quarterly basis:
 - (1) The number of new providers added to the database, including licensed and license exempt providers;
 - (2) The number of new child care opportunities created by new and existing providers;
 - (3) The number of providers who are recruited or expand their programs to meet the unmet needs of infant/toddler care, special needs care and non-traditional hours care;
 - (4) The number of providers who are recruited or expand their programs to meet an unmet need as identified by the CCR&R;
 - (5) The number of providers specifically recruited to meet the needs of families on the wait list;
- f. On Attachment C or a similar form provided by CDB, report the following other data on a quarterly basis:
 - (1) The number of child care providers who closed permanently;
 - (2) The number of child care opportunities lost by provider closings; and
 - (3) The number of net child care opportunities gained or lost.

2.61 Assure quality training options are available by:

- a. Providing trainings that are free of charge, accessible to all legally operating child care providers in their catchment area, and at a frequency and in locations that meet the needs of providers in the catchment area;
- b. Addressing the Core Knowledge Areas as defined in the Department's publication of the *New Hampshire Early Childhood Professional Development System*. The Core Knowledge

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Areas to be covered shall be articulated in the training publicity and again during the training. During the course of the contract award period, all of the Core Knowledge Areas shall be addressed;

- c. Having the discretion to offer a light breakfast or lunch for trainings that extend more than 4 hours. For trainings that extend 6 hours or more the LRCSC may offer both a light breakfast and lunch. A small fee to cover the cost of the meal(s) is appropriate as long as providers have the choice to not pay the fee and bring their own food;
- d. Utilizing a variety of qualified presenters that are hired for the training workshops to avoid presenting a singular perspective or showing preference to a particular presenter;
- e. Not paying CCR&R staff a consultant fee to teach a workshop in their own catchment area, as providing workshops in their own area is a core service required by this contract;
- f. Paying staff a consulting fee if extenuating circumstances arise for teaching a workshop in the Laconia catchment area upon receiving prior written approval from the CDB. An extenuating circumstance may include, but not be limited to: long travel distances, lack of available qualified presenters, or limited regular working hours;
- g. Reviewing the Child Care Basics kit on annual basis to make sure that all kits are consistent in title and contents. LRCSC CCR&R shall look at ways to improve upon the content of the kit, possibly looking at additional content areas like social/emotional development;
- h. Updating and keeping current the Child Care Basic training workshop kit assigned to LRCSC;
- i. Providing the trainings listed in Attachment B;
- j. Collaborating on dates and finding an appropriate location with the agency contracted to publicize the Child Care Water Safety training in the identified catchment area. LRCSC shall also assist with signing in of participants the evening of the training;
- k. Assisting individuals to access college courses and opportunities including, but not limited to the Community College System of New Hampshire, Plymouth State University and Granite State College. LRCSC also assists individuals in accessing the tuition assistance grant funds through the CDB tuition assistance contract. The information shall be widely publicized through the quarterly newsletter, *Provider Pages* and through email/postal mail announcements;
- l. Collaborating with other Contractors and the CDB to maximize the use of training funds, including co-sponsoring training events and providing funds to child care providers to attend a relevant collaborative training;
- m. Collaborating in the planning and implementation of trainings with other contractors and the CDB as needed to meet the needs of providers in the Laconia catchment area;

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- n. On Attachment C or a similar form provided by CDB, report on the following performance measures on a quarterly basis:
 - (1) The number of Child Care Basics trainings offered;
 - (2) The number of attendees at Child Care Basics trainings;
 - (3) The number of other trainings offered;
 - (4) The number of attendees at other trainings offered by the CCR&R;
- o. On Attachment C or a similar form provided by CDB, report the following other data on a quarterly basis:
 - (1) The number of collaborative trainings;
 - (2) A list of the specific workshops offered including: the date, location (town), the presenter, their credential, and the number of attendees; and
 - (3) The dates that each of the required trainings are offered.

2.62 Provide technical assistance by:

- a. Playing an instrumental role with child care providers in the catchment area regarding support and technical assistance in identified areas. LRCSC shall:
 - (1) Be available to answer questions from providers and families through phone contact, email and face-to-face contact as the need arises. Through annual visits to programs, trainings, and through methods such as newsletters, email announcements, it shall be communicated that the CCR&R program is here to help with technical assistance and answer questions. Laconia CCR&R shall also look to other experts when needed for answers and resources on best practices in child care;
 - (2) Offer the Emergency Preparedness training and be available to assist child care providers with their Emergency Preparedness plan and provide suggestions for training and practice opportunities for staff, collaborating with local and town officials around the level of preparedness needed at the local level;
 - (3) Work with new and currently operating license exempt providers to become licensed in order to increase the number of child care opportunities, working in collaboration with the New Hampshire Child Care Licensing Coordinator to assist these individuals with technical assistance and support services. These services shall include, but are not limited to health and safety, learning environments and professional development plans to address ongoing education and training. Individuals shall be encouraged to attend the vast number of training opportunities available to them within the catchment areas;
 - (4) Provide technical assistance to new and existing child care providers who are beginning to address program quality to help them achieve DHHS Licensed Plus

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designation. The program manager shall provide workshops such as the Early Learning Guidelines and individual support for those pursuing Licensed Plus status. LRCSC shall do this through phone contact, email, and face-to-face contact as the need arises. LRCSC shall assure that the community understands that CCR&R is available for technical assistance through marketing efforts to include: annual visits to programs, at trainings, and through methods such as newsletters, email announcements; and

- (5) Assist existing providers achieve accreditation through the National Association for the Education of Young Children (NAEYC) and the National Association for Family Child Care (NAFCC); and
- b. Encouraging providers to apply for the appropriate level of Early Childhood Professional Credential and individuals who are currently credentialed shall be encouraged to gain further education and training so they can qualify for a credential at a higher level. The Laconia CCR&R shall work with individuals on a one-to-one basis to help them gather the materials that are needed in the application process. Once the process is initiated Laconia CCR&R shall check back in a week or two to ascertain their progress. The Program Manager shall provide information and links to educational opportunities and workshops;
- c. On Attachment C or a similar form provided by CDB, report on the following performance measures on a quarterly basis:
 - (1) The number of providers assisted in the licensing process;
 - (2) The number of new credentials awarded;
 - (3) The number of credentials renewed or awarded at a higher level;
- d. On Attachment C or a similar form provided by CDB, report the following other data on a quarterly basis:
 - (1) The number of times TA is provided in person;
 - (2) The number of times TA is provided by phone;
 - (3) The number of providers who became licensed;
 - (4) The number of times TA is provided for Licensed Plus; and
 - (5) The number of times TA is provided for accreditation;

2.63 Evaluate the performance of LRCSC's CCR&R services by:

- a. Encouraging every participant that comes to a training sponsored by CCR&R to complete an evaluation of the training. The evaluation assesses the training topic and its usefulness, the presenter, and how the information was presented and delivered. It shall also evaluate the presenter's knowledge of the subject matter, if the time date and location met their

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needs as well as ascertaining what other training topics they would be interested in for future trainings;

- b. Reviewing and compiling results to assist in developing future trainings. This information shall be used to identify future topics and whether the presenter should be brought back to provide additional training; and
- c. Surveying providers once annually to assess how well they are meeting the needs of the child care providers within the catchment area regarding referrals being given, accurate data provided, ease of updating data, types of trainings offered, availability of training opportunities and cultural competence of the CCR&R services.

2.7 Utilize technology and build technological capacity by:

- a. Maintaining NACCRRRA membership;
- b. Using the internet to connect to the NACCRRRA web server, enter information and access the database. A portion of the web server hosts the NACCRRRA SDS program and data. There shall be access to the database at any time by the Administrator of the CDB and other CDB staff as needed. LRCSC shall use the NACCRRRA SDS to maintain the database and to access information;
- c. Writing a policy governing the permitted use of child care resource and referral databases, information and other written materials generated from the operation of the CCR&R agency, which shall include prohibitions on the disclosure of individualized information about families and children. LRCSC shall seek the approval of NH DHHS on this policy;
- d. Establishing email lists of child care providers for distribution of materials;
- e. Working with the CDB to receive training on the NH EASY program and to be able to be access information;
- f. Designating funds in the budget for assistance in the maintenance of the nhccrr.org website.

3. Meet the following staffing qualifications:

- a. Provide knowledgeable staff, who are credentialed (or have the credential waived) at the following levels according to the NH Early Childhood Professional Development System to perform the corresponding duties in the table below:

Duties	Credential Level
Take Calls & Meet With Families	Master Teacher Level 1
Hired to Provide Training	Trainer, Faculty, or Allied Master Professional
Consultant Staff	Program Consultant Master Professional to Provide Technical Assistance

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- b. In those DO catchments areas where there are large numbers of non-English speaking persons, or persons of Limited English Proficiency (LEP), have a bilingual staff person or other translator/interpreter to be utilized when providing services or information to providers. Staff shall not rely on family members or friends of LEP persons to serve as interpreters unless the LEP person expressly requests such an arrangement. Children shall not be asked to translate or interpret. If no bilingual worker or in-house interpreter is available, the CCR&R shall make arrangements to obtain an outside interpreter. An LEP person shall not be required to pay for the services of an interpreter. If appropriate for the catchment area, written materials and training shall also be made available in languages other than English;
- c. Designate a staff person to liaison with the CDB to:
 - (1) Attend monthly meetings with the CDB;
 - (2) Coordinate activities, working with the Child Care Program Improvement Specialist, the Child Care Training Specialist, and the Credential Specialist;
 - (3) Maintain the NACCRRA SDS;
 - (4) Obtain input and feedback from child care providers when policy, Child Care Scholarship Program, and quality enhancement initiatives are being revised;
 - (5) Evaluate CCR&R services;
- d. Require current criminal background checks and central registry screenings of its staff. The results of such background checks and screenings shall be shared with the Department and the Department reserves the right to reject the Contractor's staff as a result of such background checks; and
- e. Set aside professional development funds to allow staff to attend at least one national conference or symposium per contract cycle to further their expertise in providing CCR&R services.

4. Performance Measures:

- a. LRCSC shall meet the goals of the performance measures in this contract as documented in Attachment A. The DHHS reserves the right to amend Attachment A after consultation with LRCSC.

5. Provide records and reports including:

- a. Quarterly and annual reports with outcome statistics for each of the performance measures and other data reports indicated on Attachment A;
- b. Such reports described in (a) above shall be completed on Attachment C or a similar form provided by the CDB and emailed to the Child Care Program Improvement Specialist of the CDB, DCYF by the 15th of the month following the end of each quarter and the end of

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each contract year. Each report described in (a) above shall also include the cover sheet Attachment D, or a similar form provided by the CDB;

- c. All reports listed in Attachment E;
- d. The Department shall reserve the right to make adjustments to attachment A, B, and E after consultation with the contract agency;
- e. The *Detailed Work-Plan* described in Attachment E of this contract. Attachment B of this contract shall be the *Preliminary Work-Plan* described in Attachment E. The *Detailed Work-Plan* described in Attachment E shall become Attachment B of this contract, after LRCSC submits this document and it is approved by the CDB;
- f. A summary of the performance measures outcome statistics for the contract period shall be forwarded along with the final billing and shall be postmarked within 60 days of the conclusion of the contract period;
- g. Maintaining detailed supporting documentation to support these reports which shall be available for DCYF review upon request;
- h. Meeting with the Child Care Program Improvement Specialist for discussion and approvals; and
- a. Providing information on an NHEP client's child care search in a Department appropriate format at the request of the NHEP ECS. The NHEP staff and LRCSC shall ask NHEP clients to sign the "Release of Confidentiality" form at the NHEP orientation to make the exchange possible.

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Exhibit A Attachment A: Performance Measures

NO	Contract Section	Performance Measure	Goal 1/1/10-6/30/10	Goal SFY 2011
1	2.2.k.(1)	The number of visits made to providers: center, licensed family, Licensed Exempt, and potential providers	25	50
2	2.4.1.g.(1)	The total number of families receiving referrals.	60	120
3	2.4.1.g.(2)	The number of families receiving referrals with CCR&R assistance.	42	84
4	2.4.1.g.(3)	The number of FANF clients assisted by the CCR&R.	15	30
5	2.4.3.a.(1)	The percent of families successfully surveyed.	40%	40%
6	2.4.3.a.(2)	The percent of families surveyed who were successful in finding care.	80%	80%
7	2.4.3.a.(3)	The percent of FANF families who were surveyed who were successful in finding care and did not identify inability to find child care as a barrier to work activity participation.	80%	80%
8	2.4.3.a.(4)	The percent of families on the wait list who were surveyed and were successful in finding care they can afford until they are released from the wait list.	50%	50%
9	2.4.3.a.(5)	The percent of families who had all of their child care needs met by the care they chose.	60%	60%
10	2.5.1.e.(1)	The number of new providers added to the database, including licensed and license exempt providers.	6	12
11	2.5.1.e.(2)	The number of new child care opportunities created by new and existing providers.	18	36
12	2.5.1.e.(3)	The number of providers who are recruited or expand their programs to meet the unmet needs of infant/toddler care, special needs care and non-traditional hours care.	2	5
13	2.5.1.e.(4)	The number of providers who are recruited or expand their programs to meet an unmet need as identified by the CCR&R.	2	5
14	2.5.1.e.(5)	The number of providers specifically recruited to meet the needs of families on the wait list.	2	5
15	2.6.1.n.(1)	The number of Child Care Basics trainings offered.	6	12
16	2.6.1.n.(2)	The number of attendees at Child Care Basics trainings.	65	120
17	2.6.1.n.(3)	The number of other trainings offered.	15	23
18	2.6.1.n.(4)	The number of attendees at other trainings offered by the CCR&R.	175	325
19	2.6.2.c.(1)	The number of providers assisted in the licensing process.	2	4
20	2.6.2.c.(2)	The number of new credentials awarded.	9	18
21	2.6.2.c.(3)	The number of credentials renewed or awarded at a higher level.	4	8

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Lakes Region Community Services Laconia Child Care Resource and Referral

Preliminary Workplan January 1, 2010 – June 30, 2011

Activity	Person Responsible	Timelines
Goal 1: The LRCSC Laconia CCR&R will provide outreach to the widest possible number of families, providers, businesses, and community members within the catchment area, including services to limited English proficient families and providers, and in consideration of a variety of diversity issues to ensure that high quality, culturally competent, Child Care Resource and Referral services are known and accessible.		
1. Disseminate CCR&R brochure and bookmark	Program Adm. Assistant	ongoing
2. The Program Manager will visit new and existing child care providers to maintain and strengthen relationships.	Program Manager	Ongoing
3. Continue as active participant in Early Childhood Initiatives in Community	Program Manager	Ongoing
4. Publish Newsletter <i>Provider Pages</i>	Program Manager/Admin Assistant	Quarterly, beginning 1/2010
5. Collaborate with other services such as Early Intervention, Parent Education Services and Step Ahead as part of the Family Resource Center of Central NH	Program Manager	Ongoing
6. Advertise in newspapers CCR&R services	Program Manager	Quarterly beginning 1/2010
7. Maintain toll-free number and e-mail capacity	LRCSC IT Department	ongoing
8. Advertise availability of office hours throughout the catchment area.	Program Manager	ongoing
9. Provide one-to-one counseling and follow-up for NHEP/District Office clients.	Program Manager	weekly
Goal 2: The LRCSC Laconia CCR&R will assess the needs of the catchment area and serve as a resource of data and information around early care and education.		
1. NACCRRRA SDS will be updated annually and on an ongoing basis when new information is received.	Program Manager/Adm Assistant	Ongoing/Annually
2. CCR&R Office will provide stakeholders, community members, DHHS, local and state	Program Manager	ongoing

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organizations with accurate data and information relative to ECE issues.		
3. Survey will be sent/mailed to child care providers with the catchment area annually in order to update information.	Administrative Assistant	1/2010
Goal 3: The LRCSC Laconia CCR&R will provide high quality referrals to all families, including those receiving child care scholarship or on the waitlist.		
1. Provide families free referrals to child care that best match their needs, especially those on FANF or with NHEP.	Program Manager	Ongoing
2. LRCS CCR&R providers free child care referral services and consumer education for families at the District Office, NHEP and families in the communities within the catchment area utilizing best practices as outlined in NACCRRRA's Quality Assurance Program.	Network Manger	Ongoing
3. Develop tracking and monitoring system for determining success of families finding care that meets their needs	Program Manager and Director of Family Support	1/2010
4. Conduct Wait List Activities	Program Manager & Program Assistant	As soon as announced.
5. Examine the system of evaluation and find ways to improve the services provided to families though CCR&R. Also, look at barriers that families face in securing care.	Program Manager	6/2010
Goal 4: The LRCSC Laconia CCR&R will develop and Implement a recruitment plan to increase the accessibility of child care within the catchment area to fill the unmet needs, focusing on non-traditional hours/special needs care/infant care. We will develop techniques to meet the needs for child care options that are responsive to the cultural and linguistic diversity within the service delivery areas.		
1. Develop two informational recruitment fairs on starting a child care business	Program Manager	Spring 2010 Fall 2010
2. Talk to students at Laconia Community College about careers and opportunities in child care.	Program Manager	Spring 2010
3. Submit article to local newspapers around the issue of unmet child care needs.	Program Manager	Summer 2010
4. Write an article on the issue of unmet child care needs for <i>Provider Pages</i>	Program Manager	Spring 2010
5. Work with other agencies as part of a proposal to build capacity to provide early	Program Manager	Spring 2010

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childhood inclusive settings for infants and toddlers with disabilities as part of a proposal submitted to Part C.		
Activity	Person Responsible	Timelines
Goal 5: The LRCSC Laconia CCR&R will positively impact the quality of child care by offering trainings and technical assistance that align with the Core Knowledge areas of the NH Early Childhood Professional Development System.		
1. Provide trainings free of charge to all child care providers in areas close to where individuals work or reside.	Program Manager	ongoing
2. Advertise training opportunities through postal mail/email/LRECFR website and NHCCRR website	Program Manager	ongoing
3. All trainings provided by Laconia CCR&R address the Core Knowledge Areas as outlined in the NH DHHS publication of the Early Childhood Professional Development System.	Program Manager	ongoing
4. Review the Child Care Basics kits for consistency in the respective titles and content and also ensuring that they align with the Core Knowledge Areas	Professional Development Subcommittee	1/2010
5. Will offer the Emergency Preparedness training and be able to assist child care providers with their Emergency Preparedness Plan and provide suggestions for training and practice opportunities for staff.	Program Manager	Spring 2010
6. Work with new and currently operating license exempt providers to become licensed in order to increase the number of child care opportunities	Program Manager	Ongoing
7. Provide technical assistance to new and existing child care providers who are beginning to address program quality to help them achieve DHHS Licensed Plus designation	Program Manager	Ongoing
Provide technical assistance to existing programs to achieve accreditation through NAEYC or Accreditation through NAFCC.	Program Manager	Ongoing
8. Will encourage providers to apply for the appropriate level of the Early Childhood Professional credential and work with those currently credentialed to gain further education and training so they can qualify for a higher credential	Program Manager	Ongoing

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Activity	Person Responsible	Timelines
Goal 6: To use technology as appropriate and feasible for purposes that may include, but not limited to providing referrals and consumer information to families, training to child care providers, attending meetings, and information dissemination.		
1. LRCS will purchase and maintain the NACCRRA membership at its own cost	LRCS	1/2010
2. LRCS will use the internet to connect to the NACCRRA web server, enter information and access their database. LRCS will use NACCRRA SDS to maintain database and access information.	LRCS	1/2010
3. LRCS will have a written policy governing the permitted use of child care resource and referral databases, information and other written material generated from the operation of the CCR&R agency, which shall include prohibitions on disclosure of individualized information about children and families. Approval will be sought from NH DHHS on this policy.	LRCS	1/2010
4. The Laconia CCR&R will work with the CDB to receive training on NH EASY program and be able to access information.	Program Manager	1/2010
Goal 7: LRCS will work towards meeting NACCRRA Quality Assurance standards in all areas. 1. LRCS will complete the NACCRRA Quality Assurance Scoring Sheet of Best Practices Criteria for Core Competencies, Parent Services, and provider services as a self-assessment & needs assessment	Program Manager	September 30, 2010
2. Documentation of items met or partially met will be kept on file in our office for review at the request of the CDB.	Program Manager	September 30, 2010
3. A plan will be developed and submitted to the CDB addressing the items partially met or not met.	Program Manager	September 30, 2010

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Lakes Region Community Services Training Plan Laconia District Office Catchment Area January 2010 – June 2011			
Training	Date	Location	Target # of Participants
Child Care Basics (TBA)	January 2010	Laconia	35
CCB – Beyond the Basics	March 2010	Tilton	35
Child Care Basics	June 2010	Plymouth	30
Early Learning Guidelines	February 2010	Tilton	30
	October 2010	Plymouth	20
Business of Child Care Workshop	Fall 2010	Plymouth	25
Child Care Billing	Spring 2010	Laconia	20
Recognizing and Reporting Child Abuse and Neglect	Spring 2010	Laconia	20
Zero to Three Training	Spring 2010 Summer 2010 Fall 2010	Laconia Plymouth Tilton	60 Total
Strengthening Families Training	Fall 2010	Laconia	40
Emergency Preparedness Training	Spring 2010	Tilton	45
First Aid/CPR	Spring 2010 Fall 2010	Laconia	50
Additional non-credit trainings that address the core knowledge areas including, but not limited to curriculum, challenging behaviors and health and safety.	One a month – 2010	Laconia Plymouth Gilford Alton Laconia	200 Total
Child Care Basics	January 2011	Laconia	40
Beyond the Basics	March 2011	Tilton	40
Child Care Basics	June 2011	Plymouth	40
Child Care Basics	June 2011	Laconia	40
Beyond the Basics	Spring 2011	Tilton	40
Beyond the Basics	Spring 2011	Plymouth	40
Early Learning Guidelines	Spring	Plymouth and Tilton	50 Total
Child Care Billing	Spring 2011	Tilton	25

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Recognizing and Reporting Child Abuse and Neglect	Spring 2011	Plymouth	30
Zero to Three Training	January 2011 June 2011	Tilton Plymouth	60 Total
Strengthening Families Training	August 2011	Alton	40
Emergency Preparedness Training	Spring 2011	Gilford	35
First Aid/CPR	Spring 2011	Laconia and Tilton	50
Additional non-credit trainings that address the core knowledge areas including, but not limited to curriculum, challenging behaviors and health and safety.	One a month – Jan-June 2011	Laconia Plymouth Gilford Alton Laconia	100 Total

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Agency Name:
Compiled by:

Date:

Contract Period:

Note: NACCRRWare will be updated to allow for this data-collection

Quarter 1 2 3 4 5 6

Vendor #:

Contract		Goal														Total		Status	
No.	Section	Performance Measure	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 5	Qtr 6	1/1/10-6/30/10	Ach'vd 1/1/10-6/30/10	SFY 2011	Goal SFY 2011	Ach'vd SFY 2011	Total Goal	Total Ach'vd				
1	2.2.k.(1)	The number of visits made to providers: center, licensed family, Licensed Exempt, and potential providers	5	8	10	6	8	8	15	13	30	32	45	45	45	Example w/ calculations			
2	2.4.1.g.(1)	The total number of families receiving referrals								0		0	0	0	0				
3	2.4.1.g.(2)	The number of families receiving referrals with CCR&R assistance.								0		0	0	0	0				
4	2.4.1.g.(3)	The number of FANF clients assisted by the CCR&R.								0		0	0	0	0				
5	2.4.3.a.(1)	The percent of families successfully surveyed.								0		0	0	0	0				
6	2.4.3.a.(2)	The percent of families surveyed who were successful in finding care.	50%	70%	80%	81%	83%	79%	80%	60%	80%	81%	80%	80%	70%	Example w/ calculations			
7	2.4.3.a.(3)	The percent of FANF families who were surveyed who were successful in finding care and did not identify inability to find child care as a barrier to work activity participation.							80%	0%	80%	0	80%	80%	0%				
8	2.4.3.a.(4)	The percent of families on the wait list who were surveyed and were successful in finding care they can afford until they are released from the wait list.							50%	0%	50%	0	50%	50%	0%				
9	2.4.3.a.(5)	The percent of families who had all of their child care needs met by the care they chose.							60%	0%	60%	0	60%	60%	0%				
10	2.5.1.e.(1)	The number of new providers added to the database, including licensed and license exempt providers.								0		0	0	0	0				
11	2.5.1.e.(2)	The number of new child care opportunities created by new and existing providers.								0		0	0	0	0				
12	2.5.1.e.(3)	The number of providers who are recruited or expand their programs to meet the unmet needs of infant/toddler care, special needs care and non-traditional hours care.								0		0	0	0	0				
13	2.5.1.e.(4)	The number of providers who are recruited or expand their programs to meet an unmet need as identified by the CCR&R.								0		0	0	0	0				
14	2.5.1.e.(5)	The number of providers specifically recruited to meet the needs of families on the wait list.								0		0	0	0	0				

Contract No.	Section	Performance Measure	Goal										Total		Status
			Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 5	Qtr 6	1/1/10-6/30/10	1/1/10-6/30/10	Ach'vd	SFY	2011	2011	
15	2.6.1.n.(1)	The number of Child Care Basics trainings offered.	3	4	2	5	3	3	6	7	12	13	18	20	
16	2.6.1.n.(2)	The number of attendees at Child Care Basics trainings.								0		0	0	0	
17	2.6.1.n.(3)	The number of other trainings offered.								0		0	0	0	
18	2.6.1.n.(4)	The number of attendees at other trainings offered by the CCR&R.								0		0	0	0	
19	2.6.2.c.(1)	The number of providers assisted in the licensing process.								0		0	0	0	
20	2.6.2.c.(2)	The number of new credentials awarded.								0		0	0	0	
21	2.6.2.c.(3)	The number of credentials renewed or awarded at a higher level.								0		0	0	0	

List trainings for current quarter only. Please list CC Basics or Beyond in bold.

Workshop Title	Date	Location (town)	Presenter	Credential	# Attended	Collaborators	Comments
							(i.e. fee charged)
1							
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							

Please list the date(s) that you offer these required trainings throughout the year.

Workshop Title	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 5	Qtr 6
Early Learning Guidelines						
Business of Child Care						
CC Billing and Payment						
Recognizing & Reporting Child Abuse & Neglect						
Strengthening Families PCAN						
Emergency Preparedness						
First Aid						
Infant/Child CPR						
Water Safety (advertise and assist w/sign-in)						

Other Reporting Requirements

Note: NACRRRAware will be updated to allow for this data collection

Contract	Reporting Requirement	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 5	Qtr 6	Total Ach'ed	Notes
	Outreach								
2.2.k.(1)a	# of visits made to the District Office(s) and the nature of those visits							0	
2.2.k.(1)b	# of visits made to the NHEP office(s) and the nature of those visits							0	
2.2.k.(2)	# of NHEP Orientations attended and the number not attended along with the reason why the Orientation was not attended							0	
2.3.e.(1)a	# of providers whose information was fully updated							0	
2.3.e.(1)b	# of providers whose information was partially updated							0	
2.3.e.(2)	# of times information/data was provided to entities other than DHHS							0	
2.3.e.(3)	The date the quarterly newsletter was mailed	1/15/10						N/A	
2.4.h.(1)	# of families receiving referrals via the web							0	
2.4.h.(2)	# of new families served							0	
2.4.h.(3)	# of previous families seeking new information that were served							0	
2.4.h.(4)	# of families served through the DO							0	
2.42.e.(1)	# of families identified as being put on the wait list							0	
2.42.e.(2)	# of families on the wait list receiving referrals							0	
2.42.e.(3)	# of families released from the wait list receiving referrals							0	
2.42.e.(4)	# of providers assisted with the enrollment process							0	
2.42.e.(5)	# of contacts with a family from the time they go on the wait list until they are released from the wait list and enrolled with a provider							0	

Contract		Total						Notes
Section	Reporting Requirement	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 5	Qtr 6	
Follow-up								
2.43.b.(1)	# of clients assisted by the CCR&R							0
2.43.b.(2)	# of FNAF clients assisted by the CCR&R							0
2.43.b.(3)	# of follow-up attempts made							0
2.43.b.(4)	# of follow-up surveys completed							0
2.43.b.(5)	# of families satisfied with the care they found							0
2.43.b.(6)	# of families that chose not to use care							0
2.43.b.(7)	# of families whose search was still in process							0
2.43.b.(8)	# of families who were unable to locate care							0
2.43.b.(9)	Any child care needs of the family that were not met by their child care choice or options							0
2.43.b.(10)	Any unmet child care needs of families on the wait list							0
2.43.b.(11)	#of families who chose care from the referral list(s) they received form the CCR&R							0
2.43.b.(12)	# of families who found the referrals they received helpful							0
2.43.b.(13)	# of families who found the consumer education they received over the phone helpful							0
2.43.b.(14)	# of families who found the written or posted consumer education they received or accessed helpful							0
2.43.b.(15)	# of families who report they were able to identify indicators of quality in child care programs							0
2.43.b.(16)	# of families who report that the CCR&R services were culturally competent							0
2.5.f.(1)	# of child care providers closed permanently							0
2.5.f.(2)	# of child care opportunities lost b provider closings							0
2.5.f.(3)	# of net child care opportunities gained or lost							0
2.61.o.(1-3)	See performance measure report							
2.62.d.(1)	# of times TA is provided in person							0
2.62.d.(2)	# of times TA is provided by phone							0
2.62.d.(3)	# of providers who became licensed							0

CCR&R Quarterly Narrative Report

Agency Name:

Date:

Reported prepared by:

Quarter: 1 2 3 4 5 6

Vendor #:

Contract Period:

CDB Liason:

CCR&R Staff	Credential(s) held

Detailed Work Plan submitted (date):

Due 2/1/10

Approved: ☐ Yes ☐ No

Technology Policy submitted (date):

Due 2/1/10

Approved: ☐ Yes ☐ No

Outreach Plan submitted (date):

Due 3/31/10

Approved: ☐ Yes ☐ No

Publicity materials submitted: Please provide a list of materials revised & submitted this quarter.

Improvement Plan: Please describe any work done this quarter on the Improvement plan

Due date TBD

Date submitted:

Approved: ☐ Yes ☐ No

Quality Plan: Please describe any work done this quarter on the Quality plan

Due 9/30/09

Date submitted:

Approved: ☐ Yes ☐ No

Service Delivery Maintenance & Improvement Plan: Please describe any work done this quarter on the Improvement plan. Due date: 30 days after completion of survey

Date submitted:

Approved: ☐ Yes ☐ No

Plans for attending national conference or symposium: Please describe these plans as they are made and carried out.

Successes during this quarter: Please highlight those areas where you have had particular success in meeting contract goals or work activities.

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Challenges during this quarter: Please describe those areas where you have had challenges in meeting contract goals or completing work activities.

Other: Please highlight any activities, successes, challenges, etc., not captured elsewhere in the report.

Questions for the CDB: Please submit any questions you may have for the CDB regarding your work, CDB policy & procedure, and/or your contract.

Goals:

Progress from the previous quarter: Please assess the progress you've made in accomplishing the goals for the previous quarter.

For the coming quarter: If meeting with the Child Care Program Improvement Specialist this quarter, we will set these goals together. If not, please list 2-5 goals (depending on how much is involved in accomplishing them) that you will work on in the coming quarter.

Comments from the CDB: The Child Care Program Improvement Specialist will return comments to each CCR&R regarding their work during the previous quarter.

Contractor's Initials FG
Date 10/5/09

Exhibit A Attachment E. – Laconia Required Reports

Documentation required		Submission Deadline
Preliminary work plan – This plan shall include a time line with clearly identified dates/year, which addresses all aspects of the requirements of this contract. This should include a training plan which details the number of trainings, locations (town) and target numbers of participants.		With Proposal
Detailed work plan – This plan shall be a revised work-plan for the entire contract period, subject to approval by the Administrator of the CDB.		February 1, 2010
Technology Policy		February 1, 2010
Outreach plan – This plan shall be made in order to make the CCR&R services known to the widest possible audience of families, providers and community members (including agencies, policy makers, public officials, and businesses) within the catchment area, including services to limited English proficient families and providers and in consideration of a variety of diversity issues. The outreach plan should include determining which populations are underserved by CCR&R and specifically targeting outreach to these populations.		March 31, 2010
All publicity that indicates office location, hours, availability to meet with families, phone #s, and email address.		As it is updated
Sign in sheet from NHCCR&R Network Meetings		Monthly
Improvement Plan		TBD
Quality plan - The Contractor shall complete the NACCRRRA Quality Assurance Scoring Sheet of Best Practices Criteria for Core Competencies, Parent Services, and Provider Services as a self-assessment and needs assessment. Documentation for items that the Contractor meets or partially meets should be kept on file at the office location for review at the request of the Child Care Program Improvement Specialist. For those items that are partially met or not met, the Contractor shall submit a plan for meeting those criteria along with what additional support (training, TA or additional resources), if any, that would be needed to meet those criteria. The Scoring Sheet and plan are to be submitted to the Child Care Program Improvement Specialist by September 30, 2010. Implementation of the plan shall be agreed upon by the Contractor and the CDB.		September 30, 2010
Service Delivery Maintenance and Improvement Plan - Provide the CDB with a copy of the survey used described in the evaluation section of the contract, the results of the survey and a plan for service delivery maintenance or improvement.		Within 30 days of Survey Completion.

Contractor's Initials FG
Date 10/5/09

EXHIBIT B

METHOD, SCHEDULE, AND CONDITIONS PRECENT TO PAYMENT

Contract Agency: Lakes Region Community Services Council, INC.

Program Period: January 1, 2010 through June 30, 2011
Or Date of Governor & Executive Council approval, whichever is later

1. This Contract is funded with funds from the Catalog of Federal Domestic Assistance, CFDA #93.575, Federal Agency Health and Human Services, Child Care and Development Block Grant, in the amount of \$113,333.78 and CFDA #93.713 made possible by the American Recovery and Reinvestment Act (ARRA) in the amount of \$31,866.22. Subject to the availability of Federal funds, and in consideration for the satisfactory completion of the services to be performed under this Contract, the State agency agrees to purchase from the Contractor services in the amount not to exceed \$145,200.00. (one-hundred and forty-five thousand and two hundred dollars) for services provided during the program period specified above.

2. Quarterly payments shall be made to the Contractor subject to the following conditions:

2.1 Payments shall be made on a quarterly cost reimbursement basis beginning April 15, 2010 for actual expenditures up to the total contract price incurred in the fulfillment of this agreement. The invoice, which shall be provided by DHHS after the approval of Governor & Executive Council, must be sent to:

Patrick McGowan, Contract Specialist
Child Development Bureau
Division for Children, Youth and Families
Department of Health and Human Services
129 Pleasant St., Concord, New Hampshire 03301

2.2 In lieu of hard copies, invoices may be assigned an electronic signature and be e-mailed to: patrick.mcgowan@dhhs.state.nh.us

2.3 Expenditures shall be in accordance with the approved line item budget shown in Exhibits B-1 and B-2. If applicable, this will include drawing down match funds consistently throughout the contract period. Any adjustment to a line item in excess of 10% of the original budget lines will require the prior written approval of the State. The Contractor must include a detailed explanation and revised line item budget figures.

2.4 Payments may be withheld pending receipt of required reports as defined in Exhibit A.

2.5 A final payment request shall be submitted no later than sixty (60) days after the end of each fiscal year. Failure to submit the final invoice by that date may result in non-payment.

Contractor's Initials

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Date

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SFY2010 Contract (1/1/10 - 6/30/10)

Name	Percentage of Time Spent on Project	Annual Salary	Billed to DCYF
Maureen LaClair	100%	\$34,593	\$17,296
Vacant- Admin Ass't .5FTE	100%	\$11,252	\$5,626
Millicent Jack .2FTE	100%	\$5,591	\$2,795
Karen Welford	10%	\$50,466	In-kind

SFY2011 Contract (7/1/10 - 6/30/11)

Name	Percentage of Time Spent on Project	Annual Salary	Billed to DCYF
Maureen LaClair	100%	\$35,630	\$35,630
Vacant- Admin Ass't .5FTE	100%	\$11,589	\$11,589
Millicent Jack .2FTE	100%	\$5,758	\$5,758
Karen Welford	10%	\$51,979	In-kind

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Exhibit B-2 – Budget Proposal

	SFY2010 Contract (1/1/10 - 6/30/10)			SFY2011 Contract (7/1/10 - 6/30/11)		
	DCYF Costs	Agency Match	Total	DCYF Costs	Agency Match	Total
A. Salaries and Wages						
Direct Support Staff	\$25,717		\$25,717	\$52,977		\$52,977
Indirect / Management Staff		\$2,523	\$2,523		\$5,191	\$5191
Total:	\$25,717	\$2,523	\$28,240	\$52,977	\$5,191	\$58,168
B. Benefits						
Health and other related						
Other benefits All benefits	\$10,711	\$1,050	\$11,761	\$22,065	\$2,162	\$24,227
Total:	\$10,711	\$1,050	\$11,761	\$22,065	\$2,162	\$24,227
C. Staff Training						
D. Professional / Consultant Fees	\$250	\$	\$250	\$350	\$	\$350
E. Rental Costs	\$2,721	\$	\$2,721	\$4,005	\$	\$4,005
F. Rental, Lease, or Purchase of Minor Equipment	\$2,295	\$	\$2,295	\$4590	\$	\$4590
G. Equipment	\$	\$	\$	\$	\$	\$
H. Consumable Supplies	\$100		\$100	\$200		\$200
I. Food	\$400		\$400	\$500		\$500
J. Travel						
In-State Transportation	\$400		\$400	\$800		\$800
Out of State Transportation					\$500	\$500
Lodging / Food					\$350	\$350
Total:	\$400	\$	\$400	\$800	\$850	\$1,650
K. Utilities						
Phone / Internet	\$666		\$666	\$1333		\$1333
Heat/Fuel						
Electricity						
Total:	\$666	\$	\$666	\$1333	\$	\$1333
L. Other						
Printing/ Postage /website	\$300		\$300	\$300		\$300
Other Indirect 10%	\$4,840		\$4,840	\$9,680		\$9,680
Other (Please Specify)						
Total:	\$5,140	\$	\$5,140	\$9,980	\$	\$9,980
GRAND TOTAL:	\$48,400	\$3,573	\$51,973	\$96,800	\$8,203	\$105,003

Contractor's Initials FB

Date 1/25/09

Exhibit C
American Recovery and Reinvestment Act Standard Terms

Notwithstanding any provision of this Agreement to the contrary, the following terms and conditions shall govern and take precedence over any conflicting provision in this Agreement.

1. The Contractor/Grantee shall obtain a DUNS number (www.dnb.com), and register with the Central Contractor Registry (CCR, www.ccr.gov). The Contractor/Grantee shall require any subcontractor/subgrantee to obtain a DUNS number.

The Contractor/Grantee agrees to advertise any sub-contract/sub-grant opportunity arising from this contract/grant to be paid for with American Recovery and Reinvestment Act funds on the State of New Hampshire, Department of Administrative Services "Bidding Opportunities" web site, by completing a bid description form available at: http://www.sunspot.admin.state.nh.us/statecontracting/Documents/bid_form.doc and submitting it to the Contracting Officer or Grant Manager who will submit the form to purchweb@nh.gov. The bid description form may also be obtained in person from the Office of Economic Stimulus at the State House Annex, Room 202-A, 25 Capitol Street, Concord, New Hampshire 03301, by U.S. mail to 107 North Main Street, State House - Room 208 Concord, New Hampshire 03301. Requests can be made by phone, (603) 271-2121, or by email, NHOES@nh.gov.

2. The Contractor/Grantee, upon entering into any sub-contract/sub-grant to be paid for with American Recovery and Reinvestment Act funds received through this contract/grant for the purpose of carrying out this agreement, agrees to provide the Contracting Officer/Grant Manager and the Office of Economic Stimulus redacted PDF or paper copies of the executed sub-contracts/sub-grants. A copy may be submitted by e-mail to NHOES@nh.gov or by U.S. Mail to 107 North Main Street, State House - Room 208 Concord, New Hampshire 03301 or by delivery to the Office of Economic Stimulus, State House Annex, Room 202-A, 25 Capitol Street, Concord, New Hampshire 03301. The copies provided to the State shall have any proprietary or non-public information, the disclosure of which would constitute an invasion of privacy, redacted. All contracts/grants to individuals and those for amounts of less than \$25,000 shall be reported in the aggregate by written narrative in a manner that protects the privacy interests of any individual recipient. The written narrative shall include the purpose of the sub-contract(s)/grant(s), the aggregate amount of the sub-contract(s)/grant(s), and an estimate of the jobs created and the jobs retained by job type, if any, as a result of the sub-contract(s)/grant(s). All contracts/grants awarded using American Recovery and Reinvestment Act funds will be posted on the NH Recovery web site and may be posted on the federal Recovery.gov web site.

3. The Contractor/Grantee shall comply, and require any subcontractor/subgrantee to comply with all applicable statutes, laws, regulations, and orders of federal, state, county or

municipal authorities which shall impose any obligation or duty upon the Contractor/Grantee and subcontractor/subgrantee, including, but not limited to:

a. The Contractor/Grantee shall comply with, and shall require any subcontractor/subgrantee to comply with, applicable provisions of the American Recovery and Reinvestment Act of 2009, Public Law 111-5 ("ARRA"), and applicable federal, rules, orders, regulations and guidelines issued pursuant thereto, as amended from time to time, including, but not limited to:

Section 1512 Reporting:

ARRA imposes transparency, oversight and accountability requirements, including, without limitation, the reporting requirements in the Jobs Accountability Act in Section 1512.

Definitions. As used in this Section 1512 reporting clause, the following terms have the meaning set forth below:

Contract: means a mutually binding legal relationship obligating the seller to furnish the supplies or services (including construction) and the buyer to pay for them. It includes all types of commitments that obligate the Government to an expenditure of appropriated funds and that, except as otherwise authorized, are in writing. In addition to bilateral instruments, contracts include (but are not limited to) awards and notices of awards; letter contracts; orders, such as purchase orders, under which the contract becomes effective by written acceptance or performance; and bilateral contract modifications, grants, and cooperative agreements.

First-tier subcontract: means a subcontract awarded directly by a prime contractor whose contract is funded by ARRA.

Jobs created: means an estimate of those new positions created and filled, or previously existing unfilled positions that are filled, as a result of funding by the American Recovery and Reinvestment Act of 2009 (Recovery Act). This definition covers contractor/grantee positions established in the United States and outlying areas (see definition in FAR 2.101). The number shall be expressed as "full-time equivalent" (FTE), calculated cumulatively as all hours worked divided by the total number of hours in a full-time schedule, as defined by the contractor/grantee. For instance, two full-time employees and one part-time employee working half days would be reported as 2.5 FTE in each month.

Jobs retained: means an estimate of those previously existing filled positions that are retained as a result of funding by ARRA. This definition covers contractor positions established in the United States and outlying areas (see definition in FAR 2.101). The number shall be expressed as "full-time equivalent" (FTE), calculated cumulatively as all hours worked divided by the total number of hours in a full-time schedule, as defined by the

contractor. For instance, two full-time employees and one part-time employee working half days would be reported as 2.5 FTE in each month.

All jobs created (FTEs) added to all jobs retained (FTEs) should equal the total jobs (FTEs) being paid for with the ARRA contract/grant funds received pursuant to this Agreement by the contractor/grantee. Stated otherwise, all jobs (FTEs) being paid for with funds provided by this agreement minus all jobs created (FTEs) should equal all jobs retained (FTEs). A job cannot be reported as both created and retained.

Total compensation: means the cash and noncash dollar value earned by the executive during the contractor's past fiscal year of the following (for more information see 17 CFR 229.402(c)(2)):

- (1) Salary and bonus.
- (2) Awards of stock, stock options, and stock appreciation rights. Use the dollar amount recognized for financial statement reporting purposes with respect to the fiscal year in accordance with the Statement of Financial Accounting Standards No. 123 (Revised 2004) (FAS 123R), Shared Based Payments.
- (3) Earnings for services under non-equity incentive plans. Does not include group life, health, hospitalization or medical reimbursement plans that do not discriminate in favor of executives, and are available generally to all salaried employees.
- (4) Change in pension value. This is the change in present value of defined benefit and actuarial pension plans.
- (5) Above-market earnings on deferred compensation which is not tax-qualified.
- (6) Other compensation. For example, severance, termination payments, value of life insurance paid on behalf of the employee, perquisites or property if the value for the executive exceeds \$10,000.

The Contractor/Grantee shall provide the data needed for Section 1512 reporting monthly in the format defined by the Contracting Officer/Grant Manager. The report format may be changed over time if the federal government issues guidance or establishes requirements for a different format.

Section 1512, at a minimum, requires the following data from the Contractor/Grantee:

- (1) An evaluation of the completion status of the project or activity;
- (2) An estimate of the number of jobs created by the project or activity by job type;
- (3) An estimate of the number of jobs retained by the project or activity by job type;
- (4) Total hours of employees working on the project or activity (subtotal by jobs created and existing jobs);
- (5) Total wages for employees working on the project or activity (subtotal by jobs created and existing jobs);
- (6) For infrastructure investments made by State and local governments, the purpose, total cost, and rationale of the agency for funding the infrastructure investment with

funds made available under this Act, and name of the person to contact at the agency if there are concerns with the infrastructure investment; and
 (7) Detailed information on any subcontracts or subgrants awarded by the recipient to include the data elements required to comply with the Federal Funding Accountability and Transparency Act of 2006 (Public Law 109-282), allowing aggregate reporting on awards below \$25,000 or to individuals, as prescribed by the Director of the Office of Management and Budget.

The Contractor/Grantee agrees to provide the following data required by the Federal Funding Accountability and Transparency Act, 31 U.S.C. 6101, for both the contractor/grantee and any subcontractor(s)/subgrantee(s):

- (1) The name of the entity receiving the award (must match the name used for establishing the entity's DUNS number and Contractor Central Registry);
- (2) The amount of the award;
- (3) Information on the award including transaction type, funding agency, the North American Industry Classification System code or Catalog of Federal Domestic Assistance Number (where applicable), program source, and an award title descriptive of the purpose of each funding action;
- (4) The location of the entity receiving the award and the primary location of performance under the award, including the city State, congressional district, and county;
- (5) The DUNS number and Central Contractor Registry numbers of the entity receiving the award and of the parent entity of the recipient, should the entity be owned by another entity; and
- (6) Any other relevant information specified by the Office of Management and Budget ("OMB"). Currently no further information is being required by OMB.

This contract requires the Contractor/Grantee to provide products and/or services that are funded under the American Recovery and Reinvestment Act of 2009 (Recovery Act). Section 1512(c) of the Recovery Act requires each contractor to report on its use of Recovery Act funds under this contract. These reports will be made available to the public.

Reports from contractors for all work funded, in whole or in part, by the Recovery Act, and for which an invoice is submitted prior to the last day of each month, are due no later than the fifth day of each month.

The Contractor/Grantee shall report the following additional information, to the contracting officer or grant manager identified in this contract/grant in an Excel spreadsheet or paper report in the form provided by the State. The State agrees to provide the Contractor/Grantee with a report form that has pre-filled the data elements known to the State:

- (1) The Government contract and order number, as applicable;

- (2) The amount of Recovery Act funds invoiced by the contractor for the reporting period. A cumulative amount from all the reports submitted for this action will be maintained by the state;
- (3) A list of all significant services performed or supplies delivered, including construction, for which the contractor invoiced in this calendar month;
- (4) Program or project title, if any;
- (5) A description of the overall purpose and expected outcomes or results of the contract, including significant deliverables and, if appropriate, associated units of measure;
- (6) An assessment of the contractor's/grantee's progress towards the completion of the overall purpose and expected outcomes or results of the contract/grant (i.e., not started, less than 50 percent completed, completed 50 percent or more, or fully completed). This covers the contract/grant (or portion thereof) funded by the Recovery Act;
- (7) A narrative description of the employment impact of work funded by the Recovery Act. This narrative should be cumulative for each calendar month and only address the impact on the contractor's workforce. At a minimum, the contractor shall provide:
 - (i) A brief description of the types of jobs created and jobs retained in the United States and outlying areas (see definition in FAR 2.101). This description may rely on job titles, broader labor categories, or the contractor's existing practice for describing jobs as long as the terms used are widely understood and describe the general nature of the work; and
 - (ii) An estimate of the number of jobs created by job type and a separate estimate of the number of jobs retained by job type, by the contractor/grantee and separately by any subcontractor(s)/subgrantee(s), in the United States and outlying areas. A job cannot be reported as both created and retained.
- (8) If the Contractor/Grantee meets the criteria set forth below, the names and total compensation of each of the five most highly compensated officers of the Contractor for the calendar year in which the contract is awarded. This requirement applies only if:
 - (i) In the Contractor's/Grantee's preceding fiscal year, the Contractor/Grantee received—
 - (A) 80 percent or more of its annual gross revenues from Federal contracts (and subcontracts), loans, grants (and subgrants) and cooperative agreements; and

(B) \$25,000,000 or more in annual gross revenues from Federal contracts (and subcontracts), loans, grants (and subgrants) and cooperative agreements; and

(ii) The public does not have access to information about the compensation of the senior executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986.

(9) For subcontracts/subgrants valued at less than \$25,000 or any subcontracts/subgrants awarded to an individual, or subcontracts/subgrants awarded to a subcontractor/subgrantee that in the previous tax year had gross income under \$300,000, the Contractor shall only report the aggregate number of such first tier subcontracts/subgrants awarded in the month and their aggregate total dollar amount.

(10) For any first-tier subcontract/subgrant funded in whole or in part under the Recovery Act, that is over \$25,000 and not subject to reporting under paragraph 9, the contractor shall require the subcontractor/subgrantee to provide the information described in (i), (ix), (x), and (xi) below to the contractor for the purposes of the monthly report. The contractor shall advise the subcontractor that the information will be made available to the public as required by section 1512 of the Recovery Act. The contractor shall provide detailed information on these first-tier subcontracts as follows:

(i) Unique identifier (DUNS Number) for the subcontractor/subgrantee receiving the award and for the subcontractor's/subgrantee's parent company, if the subcontractor/subgrantee has a parent company;

(ii) Name of the subcontractor/subgrantee;

(iii) Amount of the subcontract/subgrant award;

(iv) Date of the subcontract/subgrant award;

(v) The applicable North American Industry Classification System (NAICS) code;

(vi) Funding agency;

(vii) A description of the products or services (including construction) being provided under the subcontract/subgrant, including the overall purpose and expected outcomes or results of the subcontract/subgrant;

(viii) Subcontract/subgrant number (the contract number assigned by the prime contractor);

(ix) Subcontractor's/subgrantee's physical address including street address, city, state, and country. Also include the nine-digit zip code and congressional district if applicable;

(x) Subcontract/subgrant primary performance location including street address, city, state, and country. Also include the nine-digit zip code and congressional district if applicable;

(xi) If the Contractor/Grantee meets the criteria set forth below, the names and total compensation of each of the subcontractor's five most highly compensated officers, for the calendar year in which the subcontract is awarded. This requirement applies only if;

(A) In the subcontractor's/subgrantee's preceding fiscal year, the subcontractor/subgrantee received:

(1) 80 percent or more of its annual gross revenues in Federal contracts (and subcontracts), loans, grants (and subgrants), and cooperative agreements; and

(2) \$25,000,000 or more in annual gross revenues from Federal contracts (and subcontracts), loans, grants (and subgrants), and cooperative agreements; and

(B) The public does not have access to information about the compensation of the senior executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986;

(11) The contractor/grantee shall require the subcontractor/sub-grantee to register with the federal government Central Contractor Registration (CCR) database at www.ccr.gov.

Inspection:

The Contractor/Grantee agrees that the Comptroller General of the United States, an appropriate Inspector General appointed under section 3 or 8G of the Inspector General Act of 1978 (5 U.S.C. App.), or an authorized representative of either of the foregoing officials, or of the State of New Hampshire shall have access to and the right to:

- (1) Examine any of the Contractor's/Grantee's or any subcontractor's/subgrantee's records that pertain to and involve transactions relating to this contract/grant or a subcontract/subgrant hereunder; and
- (2) Interview any officer or employee regarding such transactions. The Contractor/Grantee shall insert a clause containing all the terms of this section, including this paragraph, in all subcontracts under this contract. The clause may be altered only as necessary to identify properly the contracting parties and the Contracting Officer/Grant Manager under the Government prime contract.

Whistleblower Protection Notice:

ARRA Section 1553 establishes whistleblower protections that apply to the contractor/grantee, and any sub-contractor/subgrantee pursuant to this agreement. The Contractor shall post notice of employees rights and remedies for whistleblower protections provided under section 1553 of the American Recovery and Reinvestment Act of 2009 (Pub. L. 111-5). The Contractor shall include the substance of this clause including this paragraph in all subcontracts. The posted notice required by this clause shall include contact information to report fraud, waste, or abuse to the Inspector General of the federal department that is the source of the ARRA funds for this contract/grant, fraud to the New Hampshire Attorney General's Office Criminal Bureau, and waste or abuse to the Office of Economic Stimulus. A notice for this purpose is available at <http://www.nh.gov/recovery/>.

4. The Contractor/Grantee agrees to comply with the Emergency Economic Stabilization Act of 2008 requirements (as amended in Section 1608 of the Recovery Act), 12 U.S.C. 5217(b), which provide for the inclusion and utilization, to the maximum extent practicable, of minorities (as such term is defined in section 1204(c) of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 1811 note)) and women, and minority- and women-owned businesses (as such terms are defined in 12 U.S.C. 1441a(r)(4) of this title), and individuals with disabilities and businesses owned by individuals with disabilities;

5. The Contractor/Grantee agrees to comply with the National Environmental Policy Act of 1969 (P.L. 91-190) requirements in Section 1609, including requirements for plans and projects to be reviewed and documented in accordance with those processes; and Executive Order 11514; notification of violating facilities pursuant to Executive Order 11738; protection of wetlands pursuant to Executive Order 11990 and State law; evaluation of flood hazards in floodplains in accordance with Executive Order 11988; assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. §§1451 *et seq.*); conformity of Federal Actions to State (Clean Air) Implementation Plans under Section 176(c) of the Clean Air Act of 1955, as amended (42 U.S.C. §§7401 *et seq.*); protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended (P.L. 93-523); and protection of endangered species under the Endangered Species Act of 1973, as amended (P.L. 93-205);

EXHIBIT C TO P-37 (A) A PROVISIONS)

6. The Contractor/Grantee agrees to comply with all anti-discrimination and equal opportunity statutes, regulations, and Executive Orders that apply to the expenditure of funds under Federal contracts, grants, cooperative agreements, loans, and other forms of Federal assistance, and all State and federal anti-discrimination statutes including but not limited to: Title VI of the Civil Rights Act of 1964, which prohibits discrimination on the basis of race, color, or national origin; Title IX of the Education Amendments of 1972, (20 U.S.C. §§ 1681-1683 and 1685-1686), which prohibits discrimination on the basis of sex; Section 504 of the Rehabilitation Act of 1973 as amended (29 U.S.C. §794), which prohibits discrimination on the basis of handicaps; the Age Discrimination Act of 1975 as amended (42 U.S.C. §§6101-6107), which prohibits discrimination on the basis of age; the Drug Abuse Office and Treatment Act of 1972 (P.L.92-255), as amended, relating to nondiscrimination on the basis of drug abuse; the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; §§523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§ 290 dd-3 and 290 ee-3), as amended, relating to confidentiality of alcohol and drug abuse patient records; Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§3601 *et seq.*), as amended, relating to nondiscrimination in the sale, rental or financing of housing; Executive Order 11246; any other nondiscrimination provisions in ARRA, and any program-specific statutes with anti-discrimination requirements; as well as generally applicable civil rights laws including, but not limited to, the Fair Credit Reporting Act, 15 U.S.C. § 1681 *et seq.*; the Americans With Disabilities Act, 42 U.S.C. §§ 12101 *et seq.*; Title VII of the Civil Rights Act of 1964, 42 U.S.C. 2000e *et seq.*, relating to employment rights and preventing employment discrimination; the Equal Educational Opportunities Act, 20 U.S.C. § 1703, prohibiting denial of an equal educational opportunity to an individual on account of his or her race, color, sex, or national origin; the Age Discrimination in Employment Act, 29 U.S.C. § 634, prohibiting age discrimination against persons 40 years of age or older; the Uniform Relocation Act, 42 U.S.C.A. § 4601 *et seq.*, establishing uniform policies to compensate people displaced from their homes or businesses by state and local government programs; and New Hampshire Revised Statutes Annotated Chapter 354-A, prohibiting certain discrimination in employment, in places of public accommodation and in housing accommodations.

7. The Contractor/Grantee agrees to comply with 40 U.S.C. §§ 3701, *et seq.*, Contract Work Hours and Safety Standards Act; 41 U.S.C. §§ 51-58, Anti-Kickback Act of 1986; 41 U.S.C. § 265 and 10 U.S.C. § 2409 relating to whistleblower protections; the Hatch Act, 5 U.S.C. §§1501-1508 and 7324-7328, which limits the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds; and the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §§401 *et seq.*), which prohibits the use of lead-based paint in construction or rehabilitation of residence structures.

8. The Contractor/Grantee agrees to comply with 31 U.S.C. § 1352, relating to limitations on the use of appropriated funds to influence certain Federal contracts and New Hampshire Revised Statute Annotated 15:5 which prohibits to use of funds appropriated or granted by the State for lobbying or electioneering.

Limitations on the use of federal Grant or Contract Funds for Lobbying:

- a. The law prohibits Federal funds from being expended by the recipient or any lower tier sub-recipients of a Federal contract, grant, loan, or cooperative agreement to pay any person for influencing or attempting to influence a Federal agency or Congress in connection with the awarding of any Federal contract, the making of any Federal grant or loan, or the entering into of any cooperative agreement. The extension, continuation, renewal, amendment or modification of any Federal contract, grant, loan, or cooperative agreement is also covered.
- b. Federal-aid contractors, consultants, and grant recipients as well as lower tier subcontractors, subconsultants, and grant sub-recipients are also subject to the lobbying prohibition.
- c. To assure compliance, for any contract or grant, including any sub-contract or grant exceeding \$100,000 the contractor/grantee and sub-contractor/sub-grantee must submit and update as required a "Disclosure of Lobbying Activities" form, (OMB Standard Form LLL), available at <http://www.nh.gov/recovery/library/index.htm>.
 1. During the grant or contract period, contractors/grantees and sub-contractors/sub-grantees must file disclosure form (Standard Form LLL) at the end of each calendar year in which there occurs any event that requires disclosure or that materially affects the accuracy of the information contained in any previously filed disclosure form.
 2. Lower tier certifications should be maintained by the next tier above (i.e. prime contractors/grantees will keep the subcontractors/subgrantee's certification on file, etc.)
 3. Standard Form LLL will be provided during contract execution for utilization during the required contract period.

Funds appropriated under the ARRA can, under certain circumstances, be used for grants to nonprofit organizations. However, grants cannot be awarded to a nonprofit organization classified by the Internal Revenue Service as a 501(c)(4) organization unless that organization certifies that it will not engage in lobbying activities, even with their own funds (see Section 18 of the Lobbying Disclosure Act, 2 U.S.C.A § 1611).

9. The Contractor/Grantee agrees to comply with The National Historic Preservation Act of 1966, as amended (16 U.S.C. §470), Executive Order 11593 (identification and protection of historic properties) and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. §§469a-1 *et. seq.*); and related statutes, including requirements for plans and projects to be reviewed and documented in accordance with those processes.

10. The Contractor/Grantee, and any subcontractor/subgrantee, shall immediately refer to an appropriate inspector general within the U.S. Department of Health and Human Services Office of the Inspector General, and to the Public Integrity Unit of the New Hampshire Attorney General's Office (603) 271-3671, any credible evidence that a principal, employee, agent, contractor, sub-grantee, subcontractor or subgrantee, or other person has submitted a

false claim under the False Claims Act or has committed a criminal or civil violation of laws pertaining to fraud, conflict of interest, bribery, gratuity, or similar misconduct involving those funds.

The Contractor/Grantee, and any subcontractor/subgrantee agree to maintain at each worksite and location of work funded by this Agreement a poster describing how to report fraud, waste, or abuse of ARRA funds. A model poster for this purpose, which also incorporates the whistleblower notice requirements, is available at <http://www.nh.gov/recovery/>.

11 Any funding provided to the Contractor/Grantee pursuant to the Recovery Act that is supplemental to an existing grant is one-time funding.

12. The Recovery Act funds are not eligible for costs incurred prior to the date of obligation.

13. The Contractor/Grantee agrees that in compliance with ARRA section 1604 none of the funds appropriated or otherwise made available in this Act may be used by any State or local government, or any private entity, for any casino or other gambling establishment, aquarium, zoo, golf course, or swimming pool.

14. The Contractor/Grantee agrees to establish and maintain a proper accounting system in accordance with generally accepted accounting standards.

To maximize the transparency and accountability of funds authorized under ARRA as required by Congress and in accordance with 2 CFR 215, subpart ____ 21 "Uniform Administrative Requirements for Grants and Agreements" and OMB A-102 Common Rules provisions, the Contractor/Grantee agree to maintain records that identify adequately the source and application of Recovery Act funds.

For recipients covered by the Single Audit Act Amendments of 1996 and OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations," recipients agree to separately identify the expenditures for Federal awards under the Recovery Act on the Schedule of Expenditures of Federal Awards (SEFA) and the Data Collection Form (SF-SAC) required by OMB Circular A-133. This shall be accomplished by identifying expenditures for Federal awards made under Recovery Act separately on the SEFA, and as separate rows under Item 9 of Part III on the SF-SAC by CFDA number, and inclusion of the prefix "ARRA-" in identifying the name of the Federal program on the SEFA and as the first characters in Item 9d of Part III on the SF-SAC.

Recipients agree to separately identify to each sub-recipient, and document at the time of sub-award and at the time of disbursement of funds, the Federal award number, CFDA number, and amount of Recovery Act funds. When a recipient awards Recovery Act funds for an existing program, the information furnished to sub-recipients shall distinguish the sub-

awards of incremental Recovery Act funds from regular sub-awards under the existing program.

Recipients agree to require their sub-recipients to include on their SEFA information to specifically identify Recovery Act funding similar to the requirements for the recipient SEFA described above. This information is needed to allow the recipient to properly monitor sub-recipient expenditure of ARRA funds as well as oversight by the Federal awarding agencies, Offices of Inspector General, the Government Accountability Office, and the State of New Hampshire.

Where applicable, Recipients will cause to be performed the required financial and compliance audits in accordance with the Single Audit Act Amendments of 1996 and OMB Circular No. A-133, "Audits of States, Local Governments, and Non-Profit Organizations."

15. Debarment. The Contractor/Grantee by signing this Agreement certifies that the Contractor/Grantee, including all principals, is not currently under debarment or suspension and has not been under debarment or suspension within the past three years, as required by 49 CFR 29.510. The Contractor/Grantee agrees to notify the Contracting Officer/Grant Manager within 30 days of being debarred or suspended from federal government contracts.

16. The Contractor/Grantee certifies by entering into this contract that it has the institutional, managerial, and financial capability to ensure proper planning, management, and completion of the project described in this Agreement.

17. The Contractor/Grantee agrees to comply with the prohibitions on the giving of gifts to public officials established by RSA chapter 15-B.

18. The Contractor/Grantee agrees to post any job openings resulting from this contract/grant on the Department of Employment Security NHWorks Job Match System, available at <https://nhworksjobmatch.nhes.nh.gov/>.

19. The Contractor/Grantee shall cause the provisions of this Exhibit C of the General Provisions to be inserted in all subcontracts for any work or project activities covered by this Agreement so that the provisions will be binding on each subcontractor or subgrantee. The Contractor/Grantee shall take such action with respect to any subcontract as the State, or, the United States, may direct as a means of enforcing such provisions, including without limitation, sanctions for noncompliance.

TERMS APPLYING ONLY TO SPECIFIC CONTRACTS/GRANTS

The following Use It or Lose It – Report It or Lose It provision should be used where the State has authority to withdraw funds if the contractor/grantee fails to perform on time or fails to file required reports. Where the State is obligated by federal or State law to provide the funds being awarded or granted, omit this provision. Contracting Officers may exercise discretion and omit the provision where the nature of the goods or services being acquired and the nature of the contractor/grantee makes the provision inappropriate or unnecessary. Questions regarding use or omission of the provision should be discussed with the Assistant Attorney General Assigned to your Department and/or the Business Supervisor from the Department of Administrative Services assigned to your Department.

Use It or Lose It and Report It or Lose It Requirement. This contract/grant is being funded by funds received by the State of New Hampshire pursuant to ARRA. Federal law provides in part that in using funds made available under ARRA for infrastructure investment, recipients shall give preference to activities that can be started and completed expeditiously, including a goal of using at least 50 percent of the funds for activities that can be initiated not later than 120 days after the date of the enactment of ARRA. Federal guidance also directs that all ARRA funds be put to work in the community promptly. Recipients shall also use grant funds in a manner that maximizes job creation and economic benefit. ARRA imposes enhanced levels of accountability and transparency.

Therefore, prompt and accountable performance of this contract/grant is OF THE ESSENCE. Thus, for all obligations of the contractor/grantee, time is of the essence. In addition to the clauses set forth in the standard form P-37, the State reserves the right to terminate this contract/grant and to award a new contract/grant to a new contractor/grantee for any unearned portion of the contract price if the contractor/grantee fails to perform according to the timeline promised, fails to comply with accountability requirements in this Agreement and ARRA, or fails to file monthly reports on time.

The following Buy American contract term shall be included in any contract or grant where the ARRA funds being awarded by contract or grant that will or may be used for a project for the construction, alteration, maintenance, or repair of a public building or public work. Contracting Officers and Grant Managers must determine if the project/grant is subject to any other federal "Buy American" or "Buy America" laws. The Contract Manager or Grant Manager shall substitute the federally-mandated contract term for this term where the federal agency providing ARRA funds has provided specific language regarding that federal program's "Buy America" or "Buy American" requirements. To the extent the responsible federal Secretary has waived the application of "Buy American" or "Buy America" requirements for specified iron, steel, or manufactured goods, a list of pertinent waived items should be incorporated into the contract. Consult with the Assistant Attorney General assigned to your Department and/or the Business Supervisor from the Department of Administrative Services assigned to your Department for assistance if needed.

Buy American:

The Contractor/Grantee agrees to comply with the Buy American requirements in Section 1605 of ARRA. Unless this requirement has been waived by a competent federal authority pursuant to 2 CFR 176.140, none of the funds appropriated or otherwise made available by the American Recovery and Reinvestment Act may be used for a project for the construction, alteration, maintenance, or repair of a public building or public work unless all of the iron, steel, and manufactured goods used in the project are produced in the United States. When using funds appropriated under the American Recovery and Reinvestment Act of 2009 (Pub. L. 111-5), the definition of "domestic manufactured construction material" requires manufacture in the United States but does not include a requirement with regard to the origin of the components. Production in the United States of the iron or steel used as construction material requires that all manufacturing processes must take place in the United States, except metallurgical processes involving refinement of steel additives. These requirements do not apply to steel or iron used as components or subcomponents of other manufactured construction material. There is no requirement with regard to the origin of components or subcomponents in other manufactured construction material, as long as the manufacture of the construction material occurs in the United States.

As used in this "Buy American" term and condition:

(1) Manufactured good means a good brought to the construction site for incorporation into the building or work that has been:

(i) Processed into a specific form and shape; or

(ii) Combined with other raw material to create a material that has different properties than the properties of the individual raw materials.

(2) Public building and public work means a public building of, and a public work of, a governmental entity (the United States; the District of Columbia; commonwealths, territories, and minor outlying islands of the United States; State and local governments; and multi-State, regional, or interstate entities which have governmental functions). These buildings and works may include, without limitation, bridges, dams, plants, highways, parkways, streets, subways, tunnels, sewers, mains, power lines, pumping stations, heavy generators, railways, airports, terminals, docks, piers, wharves, ways, lighthouses, buoys, jetties, breakwaters, levees, and canals, and the construction, alteration, maintenance, or repair of such buildings and works.

(3) Steel means an alloy that includes at least 50 percent iron, between .02 and 2 percent carbon, and may include other elements.

A federal law, commonly known as the "Buy American Act," 41 U.S.C.A. § 10A-10D, exists as a separate and additional legal limitation on the use of ARRA federal funds. The Contractor/Grantee agrees to use only domestic unmanufactured construction material, as required by the Buy American Act.

The Contractor/Grantee acknowledges to and for the benefit of the State of New Hampshire that it understands the goods and services under this Agreement are being funded with monies made available by ARRA and such law contains provisions commonly known as "Buy American;" that requires all of the iron, steel, and manufactured goods used in the project be produced in the United States ("Buy American Requirements") including iron, steel, and manufactured goods provided by the Contractor pursuant to this Agreement. The Contractor/Grantee hereby represents and warrants to and for the benefit of the State that (a) the Contractor/Grantee has reviewed and understands the Buy American Requirements, (b) all of the iron, steel, and manufactured goods used in the project funded by this agreement will be and/or have been produced in the United States in a manner that complies with the Buy American Requirements, unless a waiver of the requirements has been approved by federal authorities, and (c) the Contractor/Grantee will provide any further verified information, certification or assurance of compliance with this paragraph, or information necessary to support a waiver of the Buy American Requirements, as may be requested by the State. Notwithstanding any other provision of the Agreement, any failure to comply with this paragraph by the Contractor/Grantee shall permit the State to recover as damages against the Contractor/Grantee any loss, expense or cost (including without limitation attorney's fees) incurred by the State resulting from any such failure (including without limitation any impairment or loss of funding, whether in whole or in part, from the State or any damages owed to the State).

The Contractor (or the Grantee with any contract issued pursuant to the grant agrees to require a certification from the Contractor) agrees to certify compliance with a certification in the following form:

1. Identification of American-made Iron, Steel, and Manufactured Goods: Consistent with the terms of the bid solicitation and the provisions of ARRA Section 1605, the Contractor certifies that the bid on which this contract is based reflects the Contractor's best, good faith effort to identify domestic sources of iron, steel, and manufactured goods for every component contained in the bid solicitation where such American-made components are available on the schedule and consistent with the deadlines prescribed in or required by the bid solicitation.
2. Verification of U.S. Production: The Contractor certifies that all components contained in the bid solicitation that are American-made have been so identified, and the Contractor agrees that it will provide reasonable, sufficient, and timely verification to the State of the U.S. production of each component so identified.

The following Prevailing Wage Provision is applicable to wages for labors and mechanics for any contract in excess of \$2,000 which is entered into for the actual construction, alteration and/or repair, including painting and decorating, of a public building or public work, or building or work financed in whole or in part from ARRA funds. Section 1606 of ARRA in effect applies the Davis-Bacon prevailing wage law and related federal laws to projects funded directly by or assisted in whole or in part by and through the Federal Government pursuant to ARRA. If there is any uncertainty regarding the applicability of this term, the Contracting Officer or Grant Manager shall consult with the Assistant Attorney General assigned to his/her department.

This law and the guidance on its implementation issued by OMB contemplate that the government agency will identify the pertinent wage determinations made by the federal department of labor and incorporate them into the contract. Determinations are county specific, and job specific. It may be necessary to obtain wage determinations if one has not been published for jobs to be created by the contract. For further information see: <http://www.gpo.gov/davisbacon/referencemat.html>

Prevailing Wage Requirements:

The Contractor/Grantee agrees to comply with the Wage Rate Requirements in Section 1606 of ARRA. In accordance with 2 C.F.R. §176.190, the standard Davis-Bacon contract clause as specified by 29 CFR §5.5(a) is set forth below:

29 CFR §5.5(a):

§ 5.5 Contract provisions and related matters.

(a) The Agency head shall cause or require the contracting officer to insert in full in any contract in excess of \$2,000 which is entered into for the actual construction, alteration and/or repair, including painting and decorating, of a public building or public work, or building or work financed in whole or in part from Federal funds or in accordance with guarantees of a Federal agency or financed from funds obtained by pledge of any contract of a Federal agency to make a loan, grant or annual contribution (except where a different meaning is expressly indicated), and which is subject to the labor standards provisions of any of the acts listed in § 5.1, the following clauses (or any modifications thereof to meet the particular needs of the agency, *Provided*, that such modifications are first approved by the Department of Labor):

(1) Minimum wages.

(i) All laborers and mechanics employed or working upon the site of the work (or under the United States Housing Act of 1937 or under the Housing Act of 1949 in the construction or development of the project), will be paid unconditionally and not less often than once a

week, and without subsequent deduction or rebate on any account (except such payroll deductions as are permitted by regulations issued by the Secretary of Labor under the Copeland Act (29 CFR part 3)), the full amount of wages and bona fide fringe benefits (or cash equivalents thereof) due at time of payment computed at rates not less than those contained in the wage determination of the Secretary of Labor which is attached hereto and made a part hereof, regardless of any contractual relationship which may be alleged to exist between the contractor and such laborers and mechanics.

Contributions made or costs reasonably anticipated for bona fide fringe benefits under section 1(b)(2) of the Davis-Bacon Act on behalf of laborers or mechanics are considered wages paid to such laborers or mechanics, subject to the provisions of paragraph (a)(1)(iv) of this section; also, regular contributions made or costs incurred for more than a weekly period (but not less often than quarterly) under plans, funds, or programs which cover the particular weekly period, are deemed to be constructively made or incurred during such weekly period. Such laborers and mechanics shall be paid the appropriate wage rate and fringe benefits on the wage determination for the classification of work actually performed, without regard to skill, except as provided in § 5.5(a)(4). Laborers or mechanics performing work in more than one classification may be compensated at the rate specified for each classification for the time actually worked therein: *Provided*, That the employer's payroll records accurately set forth the time spent in each classification in which work is performed. The wage determination (including any additional classification and wage rates conformed under paragraph (a)(1)(ii) of this section) and the Davis-Bacon poster (WH-1321) shall be posted at all times by the contractor and its subcontractors at the site of the work in a prominent and accessible place where the poster and wage determination can be easily seen by the workers.

(ii)(A) The contracting officer shall require that any class of laborers or mechanics, including helpers, which is not listed in the wage determination and which is to be employed under the contract, shall be classified in conformance with the wage determination. The contracting officer shall approve an additional classification and wage rate and fringe benefits therefore only when the following criteria have been met:

(1) The work to be performed by the classification requested is not performed by a classification in the wage determination; and

(2) The classification is utilized in the area by the construction industry; and

(3) The proposed wage rate, including any bona fide fringe benefits, bears a reasonable relationship to the wage rates contained in the wage determination.

(B) If the contractor and the laborers and mechanics to be employed in the classification (if known), or their representatives, and the contracting officer agree on the classification and wage rate (including the amount designated for fringe benefits where appropriate), a report of the action taken shall be sent by the contracting officer to the Administrator of the Wage and Hour Division, Employment Standards Administration, U.S. Department of Labor,

EXHIBIT C TO P-37 (A) A PROVISIONS)

Washington, DC 20210. The Administrator, or an authorized representative, will approve, modify, or disapprove every additional classification action within 30 days of receipt and so advise the contracting officer or will notify the contracting officer within the 30-day period that additional time is necessary.

(C) In the event the contractor, the laborers or mechanics to be employed in the classification or their representatives, and the contracting officer do not agree on the proposed classification and wage rate (including the amount designated for fringe benefits, where appropriate), the contracting officer shall refer the questions, including the views of all interested parties and the recommendation of the contracting officer, to the Administrator for determination. The Administrator, or an authorized representative, will issue a determination within 30 days of receipt and so advise the contracting officer or will notify the contracting officer within the 30-day period that additional time is necessary.

(D) The wage rate (including fringe benefits where appropriate) determined pursuant to paragraphs (a)(1)(ii)(B) or (C) of this section, shall be paid to all workers performing work in the classification under this contract from the first day on which work is performed in the classification.

(iii) Whenever the minimum wage rate prescribed in the contract for a class of laborers or mechanics includes a fringe benefit which is not expressed as an hourly rate, the contractor shall either pay the benefit as stated in the wage determination or shall pay another bona fide fringe benefit or an hourly cash equivalent thereof.

(iv) If the contractor does not make payments to a trustee or other third person, the contractor may consider as part of the wages of any laborer or mechanic the amount of any costs reasonably anticipated in providing bona fide fringe benefits under a plan or program, *Provided*, That the Secretary of Labor has found, upon the written request of the contractor, that the applicable standards of the Davis-Bacon Act have been met. The Secretary of Labor may require the contractor to set aside in a separate account assets for the meeting of obligations under the plan or program.

(2) Withholding. The NH Department of Health and Human Services shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld from the contractor under this contract or any other State contract with the same prime contractor, or any other federally-assisted contract subject to Davis-Bacon prevailing wage requirements, which is held by the same prime contractor, so much of the accrued payments or advances as may be considered necessary to pay laborers and mechanics, including apprentices, trainees, and helpers, employed by the contractor or any subcontractor the full amount of wages required by the contract. In the event of failure to pay any laborer or mechanic, including any apprentice, trainee, or helper, employed or working on the site of the work (or under the United States Housing Act of 1937 or under the Housing Act of 1949 in the construction or development of the project), all or part of the wages required by the contract, the (Agency) may, after written notice to the contractor,

sponsor, applicant, or owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds until such violations have ceased.

(3) Payrolls and basic records.

(i) Payrolls and basic records relating thereto shall be maintained by the contractor during the course of the work and preserved for a period of three years thereafter for all laborers and mechanics working at the site of the work (or under the United States Housing Act of 1937, or under the Housing Act of 1949, in the construction or development of the project). Such records shall contain the name, address, and social security number of each such worker, his or her correct classification, hourly rates of wages paid (including rates of contributions or costs anticipated for bona fide fringe benefits or cash equivalents thereof of the types described in section 1(b)(2)(B) of the Davis-Bacon Act), daily and weekly number of hours worked, deductions made and actual wages paid. Whenever the Secretary of Labor has found under 29 CFR 5.5(a)(1)(iv) that the wages of any laborer or mechanic include the amount of any costs reasonably anticipated in providing benefits under a plan or program described in section 1(b)(2)(B) of the Davis-Bacon Act, the contractor shall maintain records which show that the commitment to provide such benefits is enforceable, that the plan or program is financially responsible, and that the plan or program has been communicated in writing to the laborers or mechanics affected, and records which show the costs anticipated or the actual cost incurred in providing such benefits. Contractors employing apprentices or trainees under approved programs shall maintain written evidence of the registration of apprenticeship programs and certification of trainee programs, the registration of the apprentices and trainees, and the ratios and wage rates prescribed in the applicable programs.

(ii)(A) The contractor shall submit weekly for each week in which any contract work is performed a copy of all payrolls to the NH Department of Health and Human Services if the agency is a party to the contract, but if the agency is not such a party, the contractor will submit the payrolls to the applicant, sponsor, or owner, as the case may be, for transmission to the NH Department of Health and Human Services. The payrolls submitted shall set out accurately and completely all of the information required to be maintained under 29 CFR 5.5(a)(3)(i), except that full social security numbers and home addresses shall not be included on weekly transmittals. Instead the payrolls shall only need to include an individually identifying number for each employee (e.g., the last four digits of the employee's social security number). The required weekly payroll information may be submitted in any form desired. Optional Form WH-347 is available for this purpose from the Wage and Hour Division Web site at <http://www.dol.gov/esa/whd/forms/wh347instr.htm> or its successor site. The prime contractor is responsible for the submission of copies of payrolls by all subcontractors. Contractors and subcontractors shall maintain the full social security number and current address of each covered worker, and shall provide them upon request to the NH Department of Health and Human Services if the agency is a party to the contract, but if the agency is not such a party, the contractor will submit them to the applicant, sponsor, or owner, as the case may be, for transmission to the NH Department of Health and Human Services, the contractor, or the Wage and Hour Division of the

Department of Labor for purposes of an investigation or audit of compliance with prevailing wage requirements. It is not a violation of this section for a prime contractor to require a subcontractor to provide addresses and social security numbers to the prime contractor for its own records, without weekly submission to the sponsoring government agency (or the applicant, sponsor, or owner).

(B) Each payroll submitted shall be accompanied by a "Statement of Compliance," signed by the contractor or subcontractor or his or her agent who pays or supervises the payment of the persons employed under the contract and shall certify the following:

(1) That the payroll for the payroll period contains the information required to be provided under § 5.5 (a)(3)(ii) of Regulations, 29 CFR part 5, the appropriate information is being maintained under § 5.5 (a)(3)(i) of Regulations, 29 CFR part 5, and that such information is correct and complete;

(2) That each laborer or mechanic (including each helper, apprentice, and trainee) employed on the contract during the payroll period has been paid the full weekly wages earned, without rebate, either directly or indirectly, and that no deductions have been made either directly or indirectly from the full wages earned, other than permissible deductions as set forth in Regulations, 29 CFR part 3;

(3) That each laborer or mechanic has been paid not less than the applicable wage rates and fringe benefits or cash equivalents for the classification of work performed, as specified in the applicable wage determination incorporated into the contract.

(C) The weekly submission of a properly executed certification set forth on the reverse side of Optional Form WH-347 shall satisfy the requirement for submission of the "Statement of Compliance" required by paragraph (a)(3)(ii)(B) of this section.

(D) The falsification of any of the above certifications may subject the contractor or subcontractor to civil or criminal prosecution under section 1001 of title 18 and section 231 of title 31 of the United States Code or New Hampshire Revised Statutes Annotated Chapter 641.

(iii) The Contractor or subcontractor shall make the records required under paragraph (a)(3)(i) of this section available for inspection, copying, or transcription by authorized representatives of the State of New Hampshire or the federal Department of Labor, and shall permit such representatives to interview employees during working hours on the job. If the contractor or subcontractor fails to submit the required records or to make them available, the government agency may, after written notice to the contractor, sponsor, applicant, or owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds. Furthermore, failure to submit the required records upon request or to make such records available may be grounds for debarment action pursuant to 29 CFR 5.12.

(4) Apprentices and trainees--

(i) Apprentices. Apprentices will be permitted to work at less than the predetermined rate for the work they performed when they are employed pursuant to and individually registered in a bona fide apprenticeship program registered with the U.S. Department of Labor, Employment and Training Administration, Office of Apprenticeship Training, Employer and Labor Services, or with a State Apprenticeship Agency recognized by the Office, or if a person is employed in his or her first 90 days of probationary employment as an apprentice in such an apprenticeship program, who is not individually registered in the program, but who has been certified by the Office of Apprenticeship Training, Employer and Labor Services or a State Apprenticeship Agency (where appropriate) to be eligible for probationary employment as an apprentice. The allowable ratio of apprentices to journeymen on the job site in any craft classification shall not be greater than the ratio permitted to the contractor as to the entire work force under the registered program. Any worker listed on a payroll at an apprentice wage rate, who is not registered or otherwise employed as stated above, shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any apprentice performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. Where a contractor is performing construction on a project in a locality other than that in which its program is registered, the ratios and wage rates (expressed in percentages of the journeyman's hourly rate) specified in the contractor's or subcontractor's registered program shall be observed. Every apprentice must be paid at not less than the rate specified in the registered program for the apprentice's level of progress, expressed as a percentage of the journeymen hourly rate specified in the applicable wage determination. Apprentices shall be paid fringe benefits in accordance with the provisions of the apprenticeship program. If the apprenticeship program does not specify fringe benefits, apprentices must be paid the full amount of fringe benefits listed on the wage determination for the applicable classification. If the Administrator determines that a different practice prevails for the applicable apprentice classification, fringes shall be paid in accordance with that determination. In the event the Office of Apprenticeship Training, Employer and Labor Services, or a State Apprenticeship Agency recognized by the Office, withdraws approval of an apprenticeship program, the contractor will no longer be permitted to utilize apprentices at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

(ii) Trainees. Except as provided in 29 CFR 5.16, trainees will not be permitted to work at less than the predetermined rate for the work performed unless they are employed pursuant to and individually registered in a program which has received prior approval, evidenced by formal certification by the U.S. Department of Labor, Employment and Training Administration. The ratio of trainees to journeymen on the job site shall not be greater than permitted under the plan approved by the Employment and Training Administration. Every trainee must be paid at not less than the rate specified in the approved program for the trainee's level of progress, expressed as a percentage of the journeyman hourly rate specified

in the applicable wage determination. Trainees shall be paid fringe benefits in accordance with the provisions of the trainee program. If the trainee program does not mention fringe benefits, trainees shall be paid the full amount of fringe benefits listed on the wage determination unless the Administrator of the Wage and Hour Division determines that there is an apprenticeship program associated with the corresponding journeyman wage rate on the wage determination which provides for less than full fringe benefits for apprentices. Any employee listed on the payroll at a trainee rate who is not registered and participating in a training plan approved by the Employment and Training Administration shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any trainee performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. In the event the Employment and Training Administration withdraws approval of a training program, the contractor will no longer be permitted to utilize trainees at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

(iii) Equal employment opportunity. The utilization of apprentices, trainees and journeymen under this part shall be in conformity with the equal employment opportunity requirements of Executive Order 11246, as amended, and 29 CFR part 30.

(5) Compliance with Copeland Act requirements. The contractor shall comply with the requirements of 29 CFR part 3, which are incorporated by reference in this contract.

(6) Subcontracts. The contractor or subcontractor shall insert in any subcontracts the clauses contained in 29 CFR 5.5(a)(1) through (10) and such other clauses as the (*write in the name of the government agency*) may by appropriate instructions require, and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all the contract clauses in 29 CFR 5.5.

(7) Contract termination: debarment. A breach of the contract clauses in 29 CFR 5.5 may be grounds for termination of the contract, and for debarment as a contractor and a subcontractor as provided in 29 CFR 5.12.

(8) Compliance with Davis-Bacon and Related Act requirements. All rulings and interpretations of the Davis-Bacon and Related Acts contained in 29 CFR parts 1, 3, and 5 are herein incorporated by reference into this contract.

(9) Disputes concerning labor standards. Disputes arising out of the labor standards provisions of this contract shall not be subject to the general disputes clause of this contract. Such disputes shall be resolved in accordance with the procedures of the federal Department of Labor set forth in 29 CFR parts 5, 6, and 7. Disputes within the meaning of this clause include disputes between the contractor (or any of its subcontractors) and the contracting agency, the U.S. Department of Labor, or the employees or their representatives.

(10) Certification of eligibility.

(i) By entering into this contract, the contractor certifies that neither it (nor he or she) nor any person or firm who has an interest in the contractor's firm is a person or firm ineligible to be awarded Government contracts by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).

(ii) No part of this contract shall be subcontracted to any person or firm ineligible for award of a Government contract by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).

(iii) The penalty for making false statements is prescribed in the U.S. Criminal Code, 18 U.S.C. 1001 and New Hampshire RSA Chapter 641.

(b) Contract Work Hours and Safety Standards Act. For any contract in an amount in excess of \$100,000 and subject to the overtime provisions of the Contract Work Hours and Safety Standards Act. As used in this paragraph, the terms laborers and mechanics include watchmen and guards.

(1) Overtime requirements. No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.

(2) Violation; liability for unpaid wages; liquidated damages. In the event of any violation of the clause set forth in paragraph (b)(1) of this section the contractor and any subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such contractor and subcontractor shall be liable to the United States and the State of New Hampshire, for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph (b)(1) of this section, in the sum of \$10 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in paragraph (b)(1) of this section.

(3) Withholding for unpaid wages and liquidated damages. The NH Department of Health and Human Services shall upon its own action or upon written request of an authorized representative of the federal Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the contractor or subcontractor under any such contract or any other contract with the same prime contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held

by the same prime contractor, such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph (b)(2) of this section.

(4) Subcontracts. The contractor or subcontractor shall insert in any subcontracts the clauses set forth in paragraph (b)(1) through (4) of this section and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in paragraphs (b)(1) through (4) of this section.

(c) In any contract subject only to the Contract Work Hours and Safety Standards Act and not to any of the other statutes cited in § 5.1, the contractor or subcontractor shall maintain payrolls and basic payroll records during the course of the work and shall preserve them for a period of three years from the completion of the contract for all laborers and mechanics, including guards and watchmen, working on the contract. Such records shall contain the name and address of each such employee, social security number, correct classifications, hourly rates of wages paid, daily and weekly number of hours worked, deductions made, and actual wages paid. Further, the records to be maintained under this paragraph shall be made available by the contractor or subcontractor for inspection, copying, or transcription by authorized representatives of the State of New Hampshire and the federal Department of Labor, and the contractor or subcontractor will permit such representatives to interview employees during working hours on the job.

The following term shall be included only for contracts involving the construction, reconstruction, alternation, remodeling, installation, demolition, maintenance, or repair of any public work or building with a total project cost of \$100,000 or more. It is required by RSA 277:5-a for such projects paid for in whole or in part by State funds and is a required contract term where only state managed federal funds will pay for the project.

The Contractor/Grantee agrees to have an Occupational Safety and Health Administration (OSHA) 10-hour construction safety program for their on-site employees that complies with the requirements set forth in RSA 277:5-a.

Exhibit C-1
Additional Special Provisions

1) Gratuities or Kickbacks

The Contractor agrees that it is a breach of this Agreement to accept or make a payment, gratuity or offer of employment on behalf of the Contractor, any Sub-Contractor or the State in order to influence the performance of the Scope of Work detailed in Exhibit A of this Agreement. The State may terminate this Agreement and any sub-contract or sub-agreement if it is determined that payments, gratuities or offers of employment of any kind were offered or received by any officials, officers, employees or agents of the Contractor or Sub-Contractor.

2) Retroactive Payments-Individual Services

Notwithstanding anything to the contrary contained in this Agreement or in any other document, agreement or understanding, it is expressly understood and agreed by the parties hereto, that no payments will be made hereunder to reimburse the Contractor for any services provided to any individual prior to the Effective Date of this Agreement and no payments shall be made for expenses incurred by the Contractor for any services provided prior to the date on which the individual applies for services or (except as otherwise provided by the federal regulations) prior to a determination that the individual is eligible for such services.

3) Retroactive Payments-Contractor Services

Notwithstanding anything to the contrary contained in this Agreement or in any other document, agreement or understanding, it is expressly understood and agreed by the parties hereto, that no payments will be made hereunder to reimburse the Contractor for any costs incurred for any purposes prior to the Effective Date of the Agreement.

4) Audit Requirement

On or before the date set forth in Section 1.7 of these General Provisions, the Contractor shall deliver to the State, at the address set forth in Section 1.2 of these General Provisions, an independent audit performed by a Certified Public Accountant, of the Contractor, including the funds received under this Agreement.

The following requirement shall apply if the Contractor is a State or Local Government or an Institution of Higher Education or Other Non-Profit Organization: If the federal funds expended under this or any other Agreement from any and all sources exceeds \$500,000 in the aggregate in a one year fiscal period the required audit shall be performed in accordance with the provisions of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations for fiscal years ending on or after December 31, 2003.

5) Credits

All documents, notices, press releases, research reports, and other materials prepared during or resulting from the performance of the services or the Agreement shall include the following statement: "The preparation of this (report, document, etc.) was financed under an Agreement with the State of New Hampshire, Department of Health and Human Services, Division for Children, Youth and Families), with funds provided in part or in whole by the (State of New Hampshire and/or United States Department of Health and Human Services.)"

6) Debarment, Suspension and Other Responsibility Matters

If this Agreement is funded in any part by monies of the United States, the Contractor shall comply with the provisions of Section 319 of the Public Law 101-121, Limitation on use of appropriated funds to influence certain Federal contracting and financial transactions; with the provisions of Executive Order 12549 and 45 CFR Subpart A, B, C, D, and E Section 76 regarding Debarment, Suspension and Other Responsibility Matters, and shall complete and submit to the State the appropriate certificates of compliance upon approval of the Agreement by the Governor and Council.

7) Option for Renewal

The Division for Youth, Children and Families reserves the right to renew this contract for up to an additional four years, subject to the continued availability of funds, satisfactory performance of services and approval of Governor and Executive Council.

Contractor's Initials FG

Date 10/5/09

SPECIAL PROVISIONS

1. Providers Obligations: The Provider covenants and agrees that all funds received by the Provider under the Agreement shall be used only as payment to the Provider for services provided to eligible individuals and in the furtherance of the aforesaid covenants the Provider hereby covenants and agrees as follows:

2. Compliance with Federal and State Laws: If the Contractor is permitted to determine the eligibility of individuals such eligibility determination shall be made in accordance with applicable federal and state laws, regulations, orders, guidelines, policies and procedures.

3. Time and Manner of Determination: Eligibility determinations shall be made on forms provided by the Department for that purpose and shall be made and remade at such times as are prescribed by the Department: (Social Service Block Grant).

4. Documentation: In addition to the determination forms required by the Department, the Provider shall maintain a data file on each recipient of Services hereunder, which file shall include all information necessary to support an eligibility determination and such other information as the Department requests. The Provider shall furnish the Department with all forms and documentation regarding eligibility determinations which the Department may request or require.

5. Fair Hearings: The Contractor understands that all applicants for Services hereunder, as well as individuals declared ineligible have a right to a fair hearing regarding that determination. The Contractor hereby covenants and agrees that all applicants for Services shall be permitted to fill out an application form and that each applicant or reapplicant shall be informed of his/her right to a fair hearing in accordance with Department regulations.

6. Conditions of Purchase and Payment to Contractor:

Retroactive Payments: Notwithstanding anything to the contrary contained in the Agreement or in any other document, agreement or understanding, it is expressly understood and agreed by the parties hereto, that no payments will be made hereunder to reimburse the Contractor for any Services provided to any individual prior to the Agreement and no payments shall be made for expenses incurred by the Contractor for any Services provided prior to the date on which the individual applies for Services or (except as otherwise provided by the federal regulations) prior to a determination that the individual is eligible for such services.

7. Conditions of Purchase: Notwithstanding anything to the contrary contained in the Agreement, nothing herein contained shall be deemed to obligate or require the Department to purchase Services hereunder at a rate which reimburses the Contractor in excess of the Providers Costs, at a rate which exceeds the amounts reasonable and necessary to assure the quality of such Service, or at a rate which exceeds the rate charged by the Contractor to ineligible individuals or other third party fundors for such service. If at any time during the term of this Agreement or after receipt of the Final Expenditure Report hereunder, the Department shall determine that the Contractor has used payments hereunder to reimburse items of expense other than such Costs, or has received payment in excess of such Costs or in excess of such rates charged by the Contractor to ineligible individuals or other third party fundors, the Department may elect to:

7.1 Renegotiate the rates for payment hereunder, in which event new rates shall be established;

7.2 Deduct from any future payment to the Contractor the amount of any prior reimbursement in excess of Costs;

7.3 Demand repayment of the excess payment by the Contractor in which event failure to make such repayment shall constitute an Event of Default hereunder. When the Provider is permitted to determine the eligibility of individuals for Services, the Provider agrees to reimburse the Department for all funds paid by the Department to the Provider for Services provided to any individual who is found by the Department to be ineligible for such Services at any time during the period of retention of records established herein. (Social Services Block Grant).

**Records: Maintenance, Retention, Audit, Disclosure
and Confidentiality:**

Contractor's Initials FG

Date 10/5/09

8. Maintenance of Records: In addition to the eligibility records specified above, the Provider covenants and agrees to maintain the following records during the Program Period:

8.1 Fiscal Records: Books, records, documents and other data evidencing and reflecting all Costs and other expenses incurred by the Provider in the performance of the Agreement, and all income received or collected by the Provider during the Program Period, said records to be maintained in accordance with accounting procedures and practices which sufficiently and properly reflect all such Costs and expenses, and which are acceptable to the Department, and to include, without limitation, all ledgers, books, records, and original evidence of costs such as purchase requisitions and orders, vouchers, requisitions for materials, inventories, valuations of in-kind contributions, labor time cards, payrolls, and other records requested or required by the Department.

8.2 Statistical Records: Program statistical and enrollment, attendance or visit records for each recipient of Services during the Program Period, which records shall include all records of application and eligibility (including all forms required to determine eligibility for each such recipient), records regarding the provision of Services and all invoices submitted to the Department to obtain payment for such services.

8.3 Medical Records: Where appropriate and as prescribed by the Department regulations, the Provider shall retain medical records on each patient/recipient of Services. (Social Services Block Grant).

9. Audit and Review: During the term of this Agreement and the period for retention hereunder, the Department, the United States Department of Health and Human Services and any of their designated representatives shall have access to all reports and records maintained pursuant to the Agreement for purposes of audit, examination, excerpts and transcripts.

10. Audit Liabilities: In addition to and not in any way in limitation of obligations of the Agreement, it is understood and agreed by the Contractor that the Contractor shall be held liable for any state or federal audit exceptions and shall return to the Department, all payments made under the Agreement to which exception has been taken or which have been disallowed because of such an exception.

11. Audit: Contractor shall submit an annual audit to the Department within 60 days after the close of the agency fiscal year. It is recommended that the report be prepared in accordance with the provision of Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non Profit Organizations" and the provisions of Standards for Audit of Governmental Organizations, Programs, Activities and Functions, issued by the US General Accounting Office (GAO standards) as they pertain to financial compliance audits.

12. Confidentiality of Records: All information, reports, and records maintained hereunder or collected in connection with the performance of the Services and the Agreement shall be confidential and shall not be disclosed by the Provider, provided however, that pursuant to state laws and the regulations of the Department regarding the use and disclosure of such information, disclosure may be made to public officials requiring such information in connection with their official duties and for purposes directly connected to the administration of the Services and the Agreement; and provided further, that the use or disclosure by any party of any information concerning a recipient for any purpose not directly connected with the administration of the Department or the Contractor's responsibilities with respect to purchased Services hereunder is prohibited except on written consent of the recipient, his attorney or guardian.

Notwithstanding anything to the contrary contained herein the covenants and conditions contained in the Paragraph shall survive the termination of the Agreement for any reason whatsoever.

13. Reports: Fiscal and Statistical: The Contractor agrees to submit the following reports at the following times if requested by the Department.

13.1 Interim Financial Reports: Written interim financial reports containing a detailed description of all costs and non-allowable expenses incurred by the Contractor to the date of the report and containing such other information as shall be deemed satisfactory by the Department to justify the rate of payment hereunder. Such Financial Reports shall be submitted on the form designated by the Department or deemed satisfactory by the Department.

Contractor's Initials FG

Date 10/6/09

13.2 Final Report: A final report shall be submitted within thirty (30) days after the end of the term of this Agreement. The Final Report shall be in a form satisfactory to the Department and shall contain a summary statement of progress toward to its and objectives stated in the Proposal and other information required by the Department.

14. Completion of Services: Disallowance of Costs: Upon the purchase by the Department of the maximum number of Units provided for in the Agreement and upon payment of the price limitation hereunder, the Agreement and all the obligations of the parties hereunder (except such obligations as, by the terms of the Agreement are to be performed after the end of the term of this Agreement and/or survive the termination of the Agreement) shall terminate; provided however, that if, upon review of the Final Expenditure Report the Department shall disallow any expenses claimed by the Contractor as Costs hereunder the Department shall retain the right, at its discretion, to deduct the amount of such expenses as are disallowed or to recover such sums from the Contractor.

15. Credits: All documents, notices, press releases, research reports and other materials prepared during or resulting from the performance of the Services or the Agreement shall include the following statement:

15.1 The preparation of this (report, document etc.) was financed under an Agreement with the State of New Hampshire, Department of Human Services of the Department of Health and Human Services with funds provided in part by the United States Department of Health and Human Services.

16. Operation of Facilities: Compliance with Laws and Regulations: In the operation of any facilities for providing Services, the Contractor shall comply with all laws, orders and regulations of federal, state, county and municipal authorities and with any direction of any Public Officer or officers pursuant to laws which shall impose an order or duty upon the provider with respect to the operation of the facility or the provision of the Services at such facility. If any governmental license or Permit shall be required for the operation of the said facility or the performance of the said Services, the Contractor will procure said license or permit, and will at all times comply with the terms and conditions of each such license or permit. In connection with the foregoing requirements, the Contractor hereby covenants and agrees that, during the term of this Agreement the facilities shall comply with all rules, orders, regulations, and requirements of the State Office of the Fire Marshal and the local fire protection agency, and shall be in conformance with local building and zoning codes, by-laws and regulations.

SPECIAL PROVISIONS - DEFINITIONS

As used in the Agreement, the following terms shall have the following meanings:

COSTS: Shall mean those direct and indirect items of expense determined by the Department to be allowable and reimbursable in accordance with cost and accounting principles established in accordance with state and federal laws, regulations, rules and orders.

FINANCIAL MANAGEMENT GUIDELINES: Shall mean that section of the Provider Manual which is entitled "Financial Management Guidelines" and which contains the regulations governing the financial activities of provider agencies which have contracted with the Department to receive funds.

PROPOSAL: If applicable, shall mean the document submitted by the Contractor on a form or forms required by the Department and containing a description of the Services to be provided to eligible individuals by the Contractor in accordance with the terms and conditions of the Agreement and setting forth the total cost and sources of revenue for each service to be provided under the Agreement.

UNIT: For each Service which the Contractor is to provide to eligible individuals hereunder, shall mean that period of time or that specified activity determined by the Department and specified in Exhibit B of the Agreement.

FEDERAL/STATE LAW: Wherever federal or state laws, regulations, rules, orders, and policies, etc. are referred to in the Agreement, the said reference shall be deemed to mean all such laws, regulations, etc. as they may be amended or revised from the time to time.

PROVIDER MANUAL: Shall mean that document prepared by the Department containing a compilation of all regulations promulgated pursuant to the New Hampshire Administrative Procedures Act, NH RSA Ch 541-A, for the purpose of implementing Department and federal regulations promulgated thereunder.

Contractor's Initials FB

Date 10/5/09

SUPPLANTING OTHER FEDERAL FUNDS: The Provider guarantees that funds provided under this Agreement will not supplant any existing federal funds available for these services.

Contractor's Initials FL
Date 10/14/09

STANDARD EXHIBIT D

The Contractor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Sections 5151-5160 of the Drug-Free Workplace Act of 1988 (Pub. L. 100-690, Title V, Subtitle D; 41 U.S.C. 701 et seq.), and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

**CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS
ALTERNATIVE I - FOR GRANTEES OTHER THAN INDIVIDUALS**

**US DEPARTMENT OF HEALTH AND HUMAN SERVICES - CONTRACTORS
US DEPARTMENT OF EDUCATION - CONTRACTORS
US DEPARTMENT OF AGRICULTURE - CONTRACTORS**

This certification is required by the regulations implementing Sections 5151-5160 of the Drug-Free Workplace Act of 1988 (Pub. L. 100-690, Title V, Subtitle D; 41 U.S.C. 701 et seq.). The January 31, 1989 regulations were amended and published as Part II of the May 25, 1990 Federal Register (pages 21681-21691), and require certification by grantees (and by inference, sub-grantees and sub-contractors), prior to award, that they will maintain a drug-free workplace. Section 3017.630(c) of the regulation provides that a grantee (and by inference, sub-grantees and sub-contractors) that is a State may elect to make one certification to the Department in each federal fiscal year in lieu of certificates for each grant during the federal fiscal year covered by the certification. The certificate set out below is a material representation of fact upon which reliance is placed when the agency awards the grant. False certification or violation of the certification shall be grounds for suspension of payments, suspension or termination of grants, or government wide suspension or debarment. Contractors using this form should send it to:

Commissioner, NH Department of Health and Human Services, 129 Pleasant Street,
Concord, NH 03301-6505.

- (A) The grantee certifies that it will or will continue to provide a drug-free workplace by:
- (a) Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
 - (b) Establishing an ongoing drug-free awareness program to inform employees about—
 - (1) The dangers of drug abuse in the workplace;
 - (2) The grantee's policy of maintaining a drug-free workplace;
 - (3) Any available drug counseling, rehabilitation, and employee assistance programs; and
 - (4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
 - (c) Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (a);
 - (d) Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will—
 - (1) Abide by the terms of the statement; and
 - (2) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;

Contractor's Initials FB
12/5/09

**CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS
ALTERNATIVE I - FOR GRANTEES OTHER THAN INDIVIDUALS, cont'd**

**US DEPARTMENT OF HEALTH AND HUMAN SERVICES - CONTRACTORS
US DEPARTMENT OF EDUCATION - CONTRACTORS
US DEPARTMENT OF AGRICULTURE - CONTRACTORS**

- (e) Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph (d)(2) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;
- (f) Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph (d)(2), with respect to any employee who is so convicted—
- (1) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
 - (2) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;
- (g) Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs (a), (b), (c), (d), (e), and (f).

- (B) The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant.

Place of Performance (street address, city, county, State, zip code) (list each location)

Check ☐ if there are workplaces on file that are not identified here.

LAKES REGION COMMUNITY SERVICES COUNCIL From: 1/01/10 To: 06/30/11

Contractor Name

Period Covered by this Certification

FRAN GONSALVES VICE-PRESIDENT BOARD OF DIRECTORS

Name and Title of Authorized Contractor Representative


Contractor Representative Signature

Date

10-5-09

Contractor's Initials

FG

Date 10/5/09

STANDARD EXHIBIT E

The Contractor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Section 319 of Public Law 101-121, Government wide Guidance for New Restrictions on Lobbying, and 31 U.S.C. 1352, and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

CERTIFICATION REGARDING LOBBYING

US DEPARTMENT OF HEALTH AND HUMAN SERVICES - CONTRACTORS
US DEPARTMENT OF EDUCATION - CONTRACTORS
US DEPARTMENT OF AGRICULTURE - CONTRACTORS

Programs (indicate applicable program covered):

Transitional Aid to Needy Families under Title IV-A
Child Support Enforcement Program under Title IV-D
Job Opportunities and Basic Skills (JOBS) Program under Title IV-F
Medicaid Program under Title XIX
Social Services Block Grant Program under Title XX
The Food Stamp Program under Title VII

Contract Period: 1/01/10 through 06/30/11

The undersigned certifies, to the best of his or her knowledge and belief, that:

- (1) No Federal appropriated funds have been paid or will be paid by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee or sub-contractor).
- (2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee or sub-contractor), the undersigned shall complete and submit Standard Form LLL, "Disclosure Form to Report Lobbying, in accordance with its instructions, attached and identified as Standard Exhibit E-I.
- (3) The undersigned shall require that the language of this certification be included in the award document for sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Contractor Signature

VICE PRESIDENT

Contractor's Representative Title

Contractor Name

Date

Contractor's Initials

Date

FRAN GONSALVES, VICE PRESIDENT

10-05-09

LAKES REGION COMMUNITY SERVICES COUNCIL

FG

10/5/09

Department of Health and Human Services

STANDARD EXHIBIT F

The Contractor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Executive Office of the President, Executive Order 12529 and 45 CFR Part 76 regarding Debarment, Suspension, and Other Responsibility Matters, and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

**CERTIFICATION REGARDING DEBARMENT, SUSPENSION, AND OTHER
RESPONSIBILITY MATTERS - PRIMARY COVERED TRANSACTIONS**

Instructions for Certification

1. By signing and submitting this proposal (contract), the prospective primary participant is providing the certification set out below.
2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. If necessary, the prospective participant shall submit an explanation of why it cannot provide the certification. The certification or explanation will be considered in connection with the NH Department of Health and Human Services' (DHHS) determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.
3. The certification in this clause is a material representation of fact upon which reliance was placed when DHHS determined to enter into this transaction. If it is later determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, DHHS may terminate this transaction for cause or default.
4. The prospective primary participant shall provide immediate written notice to the DHHS agency to whom this proposal (contract) is submitted if at any time the prospective primary participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
5. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549; 45 CFR Part 76. See the attached definitions.
6. The prospective primary participant agrees by submitting this proposal (contract) that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by DHHS.
7. The prospective primary participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions," provided by DHHS, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or involuntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Non-procurement List (of excluded parties).

Contractor's Initials FB

Date 12/5/09

**CERTIFICATION REGARDING DEBARMENT, SUSPENSION, AND OTHER
RESPONSIBILITY MATTERS - PRIMARY COVERED TRANSACTIONS, cont'd**

9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
10. Except for transactions authorized under paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal government, DHHS may terminate this transaction for cause or default.

**Certification Regarding Debarment, Suspension, and Other
Responsibility Matters - Primary Covered Transactions**

- (1) The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:
 - (a) are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
 - (b) have not within a three-year period preceding this proposal (contract) been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or a contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
 - (c) are not presently indicted for otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and
 - (d) have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.
- (2) Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal (contract).

Contractor's Initials FB

Date 10/5/09

**CERTIFICATION REGARDING DEBARMENT, SUSPENSION, AND OTHER
RESPONSIBILITY MATTERS - PRIMARY COVERED TRANSACTIONS, cont'd**

**Certification Regarding Debarment, Suspension, Ineligibility and
Voluntary Exclusion - Lower Tier Covered Transactions
(To Be Supplied to Lower Tier Participants)**

By signing and submitting this lower tier proposal (contract), the prospective lower tier participant, as defined in 45 CFR Part 76, certifies to the best of its knowledge and belief that it and its principals:

- (a) are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency.
- (b) where the prospective lower tier participant is unable to certify to any of the above, such prospective participant shall attach an explanation to this proposal (contract).

The prospective lower tier participant further agrees by submitting this proposal (contract) that it will include this clause entitled "Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion - Lower Tier Covered Transactions," without modification in all lower tier covered transactions and in all solicitations for lower tier covered transactions.



Contractor Signature

VICE-PRESIDENT

Contractor's Representative Title

FRAN GONSALVES, VICE-PRESIDENT

Contractor Name

10-5-09

Date

LAKE REGION COMMUNITY SERVICES COUNCIL

Contractor's Initials

FB

Date

10/5/09

STANDARD EXHIBIT G

CERTIFICATION REGARDING THE
AMERICANS WITH DISABILITIES ACT COMPLIANCE

The Contractor identified in Section 1.3 of the General Provisions agrees by signature of the Contractor's representative as identified in Sections 1.11 and 1.12 of the General Provisions, to execute the following certification:

1. By signing and submitting this proposal (contract) the Contractor agrees to make reasonable efforts to comply with all applicable provisions of the Americans with Disabilities Act of 1990.



Contractor Signature

VICE-PRESIDENT

Contractor's Representative Title

FRAN GONSALVES, VICE-PRESIDENT 10-5-09

Contractor Name

Date

LAKES REGION COMMUNITY SERVICES COUNCIL

Contractor's Initials

FG

Date

10/5/09

STANDARD EXHIBIT H

CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE

Public Law 103-227, Part C - Environmental Tobacco Smoke, also known as the Pro-Children Act of 1994 (Act), requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted for by an entity and used routinely or regularly for the provision of health, day care, education, or library services to children under the age of 18, if the services are funded by Federal programs either directly or through State or local governments, by Federal grant, contract, loan, or loan guarantee. The law does not apply to children's services provided in private residences, facilities funded solely by Medicare or Medicaid funds, and portions of facilities used for inpatient drug or alcohol treatment. Failure to comply with the provisions of the law may result in the imposition of a civil monetary penalty of up to \$1000 per day and/or the imposition of an administrative compliance order on the responsible entity.

The Contractor identified in Section 1.3 of the General Provisions agrees, by signature of the Contractor's representative as identified in Section 1.11 and 1.12 of the General Provisions, to execute the following certification:

1. By signing and submitting this contract, the Contractor agrees to make reasonable efforts to comply with all applicable provisions of Public Law 103-227, Part C, known as the Pro-Children Act of 1994.



Contractor Signature

VICE-PRESIDENT

Contractor's Representative Title

FRAN GONSALVES, VICE-PRESIDENT 10-5-09

Contractor Name

Date

LAKES REGION COMMUNITY SERVICES COUNCIL

Contractor's Initials

FG

Date

10/5/09

NH Department of Health and Human Services

STANDARD EXHIBIT I

HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT BUSINESS ASSOCIATE AGREEMENT

The Contractor identified in Section 1.3 of the General Provisions of the Agreement agrees to comply with the Health Insurance Portability and Accountability Act, Public Law 104-191 and with the Standards for Privacy and Security of Individually Identifiable Health Information, 45 CFR Parts 160 and 164. As defined herein, "Business Associate" shall mean the Contractor and subcontractors and agents of the Contractor that receive, use or have access to protected health information under this Agreement and "Covered Entity" shall mean the State of New Hampshire, Department of Health and Human Services.

(1) Definitions

- a. "Designated Record Set" shall have the same meaning as the term "designated record set" in 45 CFR Section 164.501.
- b. "Data Aggregation" shall have the same meaning as the term "data aggregation" in 45 CFR Section 164.501.
- c. "Health Care Operations" shall have the same meaning as the term "health care operations" in 45 CFR Section 164.501.
- d. "HIPAA" means the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191.
- e. "Individual" shall have the same meaning as the term "individual" in 45 CFR Section 164.501 and shall include a person who qualifies as a personal representative in accordance with 45 CFR Section 164.501(g).
- f. "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 CFR Parts 160 and 164, promulgated under HIPAA by the United States Department of Health and Human Services.
- g. "Protected Health Information" shall have the same meaning as the term "protected health information" in 45 CFR Section 164.501, limited to the information created or received by Business Associate from or on behalf of Covered Entity.
- h. "Required by Law" shall have the same meaning as the term "required by law" in 45 CFR Section 164.501.
- i. "Secretary" shall mean the Secretary of the Department of Health and Human Services or his/her designee.
- j. "Security Rule" shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 CFR Part 164, Subpart C, and amendments thereto.
- k. Other Definitions - All terms not otherwise defined herein shall have the meaning established under 45 C.F.R. Parts 160, 162 and 164, as amended from time to time.

(2)

Use and Disclosure of Protected Health Information

a. Business Associate shall not use, disclose, maintain or transmit Protected Health Information (PHI) except as reasonably necessary to provide the services outlined under Exhibit A of the Agreement. Further, the Business Associate shall not, and shall ensure that its directors, officers, employees and agents, do not use, disclose, maintain or transmit PHI in any manner that would constitute a violation of the Privacy and Security Rule.

b. Business Associate may use or disclose PHI:

- (i) for the proper management and administration of the Business Associate;
- (ii) as required by law, pursuant to the terms set forth in paragraph d. below; or
- (iii) for data aggregation purposes for the health care operations of Covered Entity.

c. To the extent Business Associate is permitted under the Agreement to disclose PHI to a third party, Business Associate must obtain, prior to making any such disclosure, (i) reasonable assurances from the third party that such PHI will be held confidentially and used or further disclosed only as required by law or for the purpose for which it was disclosed to the third party; and (ii) an agreement from such third party to immediately notify Business Associate of any breaches of the confidentiality of the PHI, to the extent it has obtained knowledge of such breach.

d. The Business Associate shall not, unless such disclosure is reasonably necessary to provide services under Exhibit A of the Agreement, disclose any PHI in response to a request for disclosure on the basis that it is required by law, without first notifying Covered Entity so that Covered Entity has an opportunity to object to the disclosure and to seek appropriate relief. If Covered Entity objects to such disclosure, the Business Associate shall refrain from disclosing the PHI until Covered Entity has exhausted all remedies.

e. If the Covered Entity notifies the Business Associate that Covered Entity has agreed to be bound by additional restrictions on the uses or disclosures or security safeguards of PHI pursuant to the Privacy and Security Rule, the Business Associate shall be bound by such additional restrictions and shall not disclose PHI in violation of such additional restrictions and shall abide by any additional security safeguards.

(3)

Obligations and Activities of Business Associate

a. Business Associate shall report to the designated Privacy Officer of Covered Entity, in writing, any use or disclosure of PHI in violation of the Agreement, including any security incident involving Covered Entity data, of which it becomes aware, within two (2) business days of becoming aware of such unauthorized use or disclosure or security incident.

b. Business Associate shall use administrative, physical and technical safeguards that reasonably and appropriately protect the confidentiality, integrity and availability of protected health information, in electronic or any other form, that it creates, receives, maintains or transmits under this Agreement, in accordance with the Privacy and Security Rules, to prevent the use or disclosure of PHI other than as permitted by the Agreement.

c. Business Associate shall make available all of its internal policies and procedures, books and records relating to the use and disclosure of PHI received from, or created or received by the Business Associate on behalf of Covered Entity to the Secretary for purposes of determining Covered Entity's compliance with HIPAA and the Privacy and Security Rule.

- d. Business Associate shall require all of its business associates that receive, use or have access to PHI under the Agreement, to agree in writing to adhere to the same restrictions and conditions on the use and disclosure of PHI contained herein, including the duty to return or destroy the PHI as provided under Section (3)b and (3)k herein. The Covered Entity shall be considered a direct third party beneficiary of the Contractor's business associate agreements with Contractor's intended business associates, who will be receiving PHI pursuant to this Agreement, with rights of enforcement and indemnification from such business associates who shall be governed by standard provision #13 of this Agreement for the purpose of use and disclosure of protected health information.
- e. Within five (5) business days of receipt of a written request from Covered Entity, Business Associate shall make available during normal business hours at its offices all records, books, agreements, policies and procedures relating to the use and disclosure of PHI to the Covered Entity, for purposes of enabling Covered Entity to determine Business Associate's compliance with the terms of the Agreement.
- f. Within ten (10) business days of receiving a written request from Covered Entity, Business Associate shall provide access to PHI in a Designated Record Set to the Covered Entity, or as directed by Covered Entity, to an individual in order to meet the requirements under 45 CFR Section 164.524.
- g. Within ten (10) business days of receiving a written request from Covered Entity for an amendment of PHI or a record about an individual contained in a Designated Record Set, the Business Associate shall make such PHI available to Covered Entity for amendment and incorporate any such amendment to enable Covered Entity to fulfill its obligations under 45 CFR Section 164.526.
- h. Business Associate shall document such disclosures of PHI and information related to such disclosures as would be required for Covered Entity to respond to a request by an individual for an accounting of disclosures of PHI in accordance with 45 CFR Section 164.528.
- i. Within ten (10) business days of receiving a written request from Covered Entity for a request for an accounting of disclosures of PHI, Business Associate shall make available to Covered Entity such information as Covered Entity may require to fulfill its obligations to provide an accounting of disclosures with respect to PHI in accordance with 45 CFR Section 164.528.
- j. In the event any individual requests access to, amendment of, or accounting of PHI directly from the Business Associate, the Business Associate shall within two (2) business days forward such request to Covered Entity. Covered Entity shall have the responsibility of responding to forwarded requests. However, if forwarding the individual's request to Covered Entity would cause Covered Entity or the Business Associate to violate HIPAA and the Privacy and Security Rule, the Business Associate shall instead respond to the individual's request as required by such law and notify Covered Entity of such response as soon as practicable.
- k. Within ten (10) business days of termination of the Agreement, for any reason, the Business Associate shall return or destroy, as specified by Covered Entity, all PHI received from, or created or received by the Business Associate in connection with the Agreement, and shall not retain any copies or back-up tapes of such PHI. If return or destruction is not feasible, or the disposition of the PHI has been otherwise agreed to in the Agreement, Business Associate shall continue to extend the protections of the Agreement, to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction infeasible, for so long

as Business Associate maintains such PHI. If Covered Entity, in its sole discretion, requires that the Business Associate destroy any or all PHI, the Business Associate shall certify to Covered Entity that the PHI has been destroyed.

(4) Obligations of Covered Entity

a. Covered Entity shall notify Business Associate of any changes or limitation(s) in its Notice of Privacy Practices provided to individuals in accordance with 45 CFR Section 164.520, to the extent that such change or limitation may affect Business Associate's use or disclosure of PHI.

b. Covered Entity shall promptly notify Business Associate of any changes in, or revocation of permission provided to Covered Entity by individuals whose PHI may be used or disclosed by Business Associate under this Agreement, pursuant to 45 CFR Section 164.506 or 45 CFR Section 164.508.

c. Covered entity shall promptly notify Business Associate of any restrictions on the use or disclosure of PHI that Covered Entity has agreed to in accordance with 45 CFR 164.522, to the extent that such restriction may affect Business Associate's use or disclosure of PHI.

(5) Termination for Cause

In addition to standard provision #10 of this Agreement the Covered Entity may immediately terminate the Agreement upon Covered Entity's knowledge of a breach by Business Associate of the Business Associate Agreement set forth herein as Exhibit I. The Covered Entity may either immediately terminate the Agreement or provide an opportunity for Business Associate to cure the alleged breach within a timeframe specified by Covered Entity. If Covered Entity determines that neither termination nor cure is feasible, Covered Entity shall report the violation to the Secretary.

(6) Miscellaneous

a. Definitions and Regulatory References. All terms used, but not otherwise defined herein, shall have the same meaning as those terms in the Privacy and Security Rule, as amended from time to time. A reference in the Agreement, as amended to include this Exhibit I, to a Section in the Privacy and Security Rule means the Section as in effect or as amended.

b. Amendment. Covered Entity and Business Associate agree to take such action as is necessary to amend the Agreement, from time to time as is necessary for Covered Entity to comply with the changes in the requirements of HIPAA, the Privacy and Security Rule, and applicable federal and state law.

c. Data Ownership. The Business Associate acknowledges that it has no ownership rights with respect to the PHI provided by or created on behalf of Covered Entity.

d. Interpretation. The parties agree that any ambiguity in the Agreement shall be resolved to permit Covered Entity to comply with HIPAA and the Privacy and Security Rule.

e. Segregation. If any term or condition of this Exhibit I or the application thereof to any person(s) or circumstance is held invalid, such invalidity shall not affect other terms or conditions which can be given effect without the invalid term or condition; to this end the terms and conditions of this Exhibit I are declared severable.

f. Survival. Provisions in this Exhibit I regarding the use and disclosure of PHI, return or destruction of PHI, extensions of the protections of the Agreement in section 3 k, the defense and indemnification provisions of section 3.d and standard contract provision #13, shall survive the termination of the Agreement.

IN WITNESS WHEREOF, the parties hereto have duly executed this Exhibit I.

Division for Children, Youth and Families

LAKES REGION COMMUNITY SERVICES COUNCIL

State of New Hampshire Agency Name

Contractor Name

Maggie Bishop
Signature of Authorized Representative

Fran Gonsalves
Contractor Representative Signature

Maggie Bishop

FRAN GONSALVES

Authorized DHHS Representative Name

Authorized Contractor Representative Name

Director

VICE-PRESIDENT BOARD OF DIRECTORS

Authorized DHHS Representative Title

Authorized Contractor Representative Title

10/26/09
Date

10-5-09
Date

State of New Hampshire

Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that Lakes Region Community Services Council is a New Hampshire nonprofit corporation formed July 29, 1975. I further certify that it is in good standing as far as this office is concerned, having paid the fees required by law.

In TESTIMONY WHEREOF, I hereto
set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 16th day of June, A.D. 2009



William M. Gardner
Secretary of State

CERTIFICATE OF VOTE

(Corporation without Seal)

I, SUSAN GUNTHER, do hereby certify that:
(Name of Clerk of the Corporation; cannot be contract signatory)

1. I am a duly elected Clerk of LAKE REGION COMMUNITY SERVICES COUNCIL
(Corporation Name)

2. The following are true copies of two resolutions duly adopted at a meeting of the Board of Directors of
the Corporation duly held on JUNE 10, 2009
(Date)

RESOLVED: That this Corporation enter into a contract with the State of New Hampshire, acting through its
Department of Health and Human Services, for the provision of Child Care Resource and Referral services.

RESOLVED: That the FRAN GONSALVES
(Title of Contract Signatory)

is hereby authorized on behalf of this Corporation to enter into the said contract with the State and to
execute any and all documents, agreements and other instruments, and any amendments, revisions,
or modifications thereto, as he/she may deem necessary, desirable or appropriate.

3. The forgoing resolutions have not been amended or revoked, and remain in full force and effect as of
the 5th day of OCTOBER, 2009
(Date Contract Signed)

4. FRAN GONSALVES is the duly elected VICE-PRESIDENT
(Name of Contract Signatory) (Title of Contract Signatory)

of the Corporation.

Susan Gunther
(Signature of Clerk of the Corporation)

STATE OF NEW HAMPSHIRE

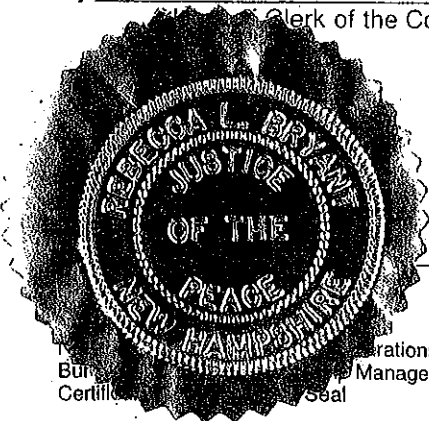
County of Belknap

The forgoing instrument was acknowledged before me this 5th day of October, 2009

By SUSAN GUNTHER
(Clerk of the Corporation)

Rebecca L. Bryant
(Notary Public/Justice of the Peace)

REBECCA L. BRYANT, Justice of the Peace
My Commission Expires April 1, 2014



July 1, 2005

ACORD CERTIFICATE OF LIABILITY INSURANCE

OP ID AI
LAKES65

DATE (MM/DD/YYYY)
06/04/09

PRODUCER Malcher & Prescott-Moultonboro PO Box 1125 Moultonboro NH 03254-1125 Phone: 603-476-8000 Fax: 603-476-5785		THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.	
INSURED Lakes Region Community Services Council Inc & General Corp & Greater Laconia Transit Agency 67 Communications Drive Laconia NH 03246		INSURERS AFFORDING COVERAGE	NAIC #
		INSURER A: Philadelphia Indemnity Ins Co.	
		INSURER B: Granite State Work Comp Manuf	
		INSURER C:	
		INSURER D:	
		INSURER E:	

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	ADDITIONAL LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A		GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC	3079754	12/01/08	12/01/09	EACH OCCURRENCE \$1000000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$100000 MED EXP (Any one person) \$5000 PERSONAL & ADV INJURY \$1000000 GENERAL AGGREGATE \$3000000 PRODUCTS - COMP/OP AGG \$3000000 Prof Liab 1000000
A		AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input checked="" type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS	3079754	12/01/08	12/01/09	COMBINED SINGLE LIMIT (Ea accident) \$1000000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
		GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN AUTO ONLY: EA/ACC \$ AGG \$
		EXCESS/UMBRELLA LIABILITY <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> DEDUCTIBLE <input type="checkbox"/> RETENTION \$				EACH OCCURRENCE \$ AGGREGATE \$ \$ \$ \$
B		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below OTHER	WC01081119	01/01/09	12/31/09	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$1000000 E.L. DISEASE - EA EMPLOYEE \$1000000 E.L. DISEASE - POLICY LIMIT \$1000000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS

State Covered: NH

Officer Exclusion form does not apply.

CERTIFICATE HOLDER

State of NH Dept of Health & Human Services D.C.Y.F.
 Attn Patrick McGowan
 129 Pleasant Street
 Concord NH 03301

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

H Thomas Volpe

LRCSC MISSION

Lakes Region Community
Services Council is
dedicated to serving the
community by promoting
independence, dignity, and
opportunity.

LAKES REGION COMMUNITY SERVICES COUNCIL, INC.

**FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2008 AND 2007
AND
INDEPENDENT AUDITORS' REPORT**

LAKES REGION COMMUNITY SERVICES COUNCIL, INC.

JUNE 30, 2008

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To the Board of Directors of
Lakes Region Community Services Council, Inc.
Laconia, New Hampshire

**Leone,
McDonnell
& Roberts**
PROFESSIONAL ASSOCIATION
CERTIFIED PUBLIC ACCOUNTANTS
WOLFEBORO • NORTH CONWAY
DOVER • PEMBROKE
STRATHAM

INDEPENDENT AUDITORS' REPORT

We have audited the accompanying statements of financial position of Lakes Region Community Services Council, Inc. (a nonprofit organization) as of June 30, 2008 and 2007, and the related statements of activities and cash flows for the years then ended, and the related statements of functional revenues and functional expenses for the year ended June 30, 2008. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audits. The prior year summarized comparative information has been derived from the Organization's 2007 financial statements and, in our report dated September 28, 2007, we expressed an unqualified opinion on those financial statements.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, and assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Lakes Region Community Services Council, Inc. as of June 30, 2008 and 2007, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Leone, McDonnell & Roberts
Professional Association

September 29, 2008
Wolfeboro, New Hampshire

LAKES REGION COMMUNITY SERVICES COUNCIL, INC.

STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2008 AND 2007

ASSETS

	<u>2008</u>	<u>2007</u>
Cash and equivalents:		
Cash in bank	\$ 770,188	\$ 1,326,653
Certificates of deposits	489,939	276,332
Federated managed funds	1,096,562	389
Investments		1,451,620
Accounts receivable:		
Medicaid	1,832,305	823,184
Other, net of allowance for doubtful accounts of \$50,000 at June 30, 2008 and 2007	147,327	215,529
Prepaid expenses	360,093	640,507
Deposits	33,760	36,510
Property and equipment, net of accumulated depreciation	<u>344,119</u>	<u>370,756</u>
Total assets	<u>\$ 5,074,293</u>	<u>\$ 5,141,480</u>

LIABILITIES AND NET ASSETS

LIABILITIES

Accounts payable	\$ 462,253	\$ 339,644
Accrued salaries, wages, and related expenses	465,787	379,272
Accrued earned time	319,315	302,562
Refundable advances	131,390	188,830
Other accrued expenses	39,020	31,453
Due to affiliates	570,320	545,693
Contingent liability, health insurance costs		<u>131,980</u>
Total liabilities	<u>1,988,085</u>	<u>1,919,434</u>

NET ASSETS

Unrestricted		
Board designated for health insurance costs		131,980
Other unrestricted	<u>3,086,208</u>	<u>3,090,066</u>
Total net assets	<u>3,086,208</u>	<u>3,222,046</u>
Total liabilities and net assets	<u>\$ 5,074,293</u>	<u>\$ 5,141,480</u>

See Notes to Financial Statements

LAKES REGION COMMUNITY SERVICES COUNCIL, INC.

**STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED JUNE 30, 2008 AND 2007**

	<u>2008</u>	<u>2007</u>
CHANGES IN UNRESTRICTED NET ASSETS		
Revenues		
Program fees	\$ 1,020,275	\$ 986,559
Medicaid	15,365,020	14,124,351
Client resources	48,625	40,267
Other third party payers	180,020	237,283
Public support	366,622	300,659
Private foundations	122,834	49,388
Production/service income	301,261	252,475
Investment	69,306	127,675
In-kind donations	65,000	32,512
State of New Hampshire - DDS	1,052,089	1,041,408
Management fees	57,845	139,404
Other	129,877	60,546
Total revenues	<u>18,778,774</u>	<u>17,392,527</u>
Expenses		
Program services		
Service coordination	1,039,733	1,061,459
Day programs	4,042,427	3,613,919
Early intervention	445,759	371,446
Enhanced family care	2,912,326	2,911,381
Community options	305,440	302,671
Community residences	6,260,700	5,662,888
Transportation	201,718	192,926
Family support	1,602,493	1,376,183
ATEC		4,536
Other DDS	9,403	5,632
Other programs	446,075	378,967
Supporting activities		
General management	1,553,680	1,588,410
Fundraising	94,858	
Total expenses	<u>18,914,612</u>	<u>17,470,418</u>
DECREASE IN UNRESTRICTED NET ASSETS	(135,838)	(77,891)
UNRESTRICTED NET ASSETS, BEGINNING OF YEAR	<u>3,222,046</u>	<u>3,299,937</u>
UNRESTRICTED NET ASSETS, END OF YEAR	<u>\$ 3,086,208</u>	<u>\$ 3,222,046</u>

See Notes to Financial Statements

LAKES REGION COMMUNITY SERVICES COUNCIL, INC.

**STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2008 AND 2007**

	<u>2008</u>	<u>2007</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Decrease in unrestricted net assets	\$ (135,838)	\$ (77,891)
Adjustments to reconcile decrease in unrestricted net assets to net cash from operating activities:		
Depreciation and amortization	103,710	115,062
Unrealized gain on investments		(13,882)
(Increase) decrease in assets:		
Accounts receivable	(940,919)	357,845
Prepaid expenses	280,414	(209,685)
Deposits	2,750	(8,300)
Increase (decrease) in liabilities:		
Accounts payable	122,609	(34,842)
Accrued salaries, wages, and related expenses	86,515	39,849
Accrued earned time	16,753	21,018
Refundable advances	(57,440)	(30,578)
Other accrued expenses	7,567	29,623
Contingent liability, health insurance costs	<u>(131,980)</u>	<u>(21,510)</u>
NET CASH (USED IN) PROVIDED BY OPERATING ACTIVITIES	<u>(645,859)</u>	<u>166,709</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of investments		(60,408)
Proceeds from maturity of investments	1,451,620	
Additions to property and equipment	<u>(77,073)</u>	<u>(50,449)</u>
NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES	<u>1,374,547</u>	<u>(110,857)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in due to affiliate	<u>24,627</u>	<u>90,369</u>
NET CASH PROVIDED BY FINANCING ACTIVITIES	<u>24,627</u>	<u>90,369</u>
NET INCREASE IN CASH AND EQUIVALENTS	753,315	146,221
CASH AND EQUIVALENTS, BEGINNING OF YEAR	<u>1,603,374</u>	<u>1,457,153</u>
CASH AND EQUIVALENTS, END OF YEAR	<u>\$ 2,356,689</u>	<u>\$ 1,603,374</u>

See Notes to Financial Statements

LAVES REGION COMMUNITY SERVICES COUNCIL, INC.

STATEMENT OF FUNCTIONAL REVENUES
FOR THE YEAR ENDED JUNE 30, 2008
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION

	Service Coordination	Day Program	Early Intervention	Enhanced Family Care	Community Outreach	Community Residences	Transportation	Family Support	Other DOS	General Management	Fundraising	Total DOS Funded	Total Non-DOS Funded	2008 Totals	2007 Totals
Program fees	\$ 574,706	\$ 3,367,792	\$ 9,825	\$ 682,624	\$ 2,805	\$ 285,332		\$ 4,172	\$ 36,347	\$ 19,170		\$ 1,020,275	\$ 10,452	\$ 1,020,275	\$ 986,559
Medicaid			\$ 425,374	\$ 3,397,279	\$ 173,857	\$ 5,875,222		\$ 1,486,691		\$ 53,647		\$ 15,354,568	\$ 48,825	\$ 15,365,020	\$ 14,124,351
Client resources		6,120		29,584		12,911		13,908				48,825		48,825	40,267
Other third party payors		21,731									\$ 19,418	180,020		180,020	237,283
Public support		10,000						1,525			5,000	28,418		368,622	300,659
Private foundations												6,525		122,834	49,388
Production/service income	744	270,371					\$ 97					271,212		391,281	252,475
Investment										89,386		89,306		89,306	127,675
In-kind donations										65,000		65,000		65,000	32,512
State of New Hampshire - DOS			98			21,384	2,424	150		1,052,069		1,052,069		1,052,069	1,041,408
Management fees		23,529								\$1,608		51,608	6,237	57,845	139,404
Other										\$4,150		111,715	18,162	129,877	80,546
TOTAL FUNCTIONAL REVENUES	\$ 574,450	\$ 3,689,523	\$ 435,267	\$ 4,089,487	\$ 176,662	\$ 5,339,320	\$ 2,521	\$ 1,506,345	\$ 36,347	\$ 1,374,970	\$ 73,418	\$ 16,258,361	\$ 519,413	\$ 16,778,774	\$ 17,352,827

See Notes to Financial Statements

LAKES REGION COMMUNITY SERVICES COUNCIL, INC.

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2008

WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION

	Service Coordination	Day Programs	Early Intervention	Enhanced Family Care	Community Outreach	Community Residences	Transportation	Family Support	Other DOS	General Management	Fundraising	Total DOS Funded	Total Non-DOS Funded	2007 Totals
PERSONNEL COSTS														
Salaries and wages	\$ 612,723	\$ 2,356,865	\$ 309,732	\$ 138,895	\$ 178,085	\$ 3,402,241	\$ 18,477	\$ 685,154		\$ 740,464	\$ 47,596	\$ 8,471,064	\$ 231,054	\$ 8,106,918
Employee benefits	118,754	736,478	81,826	47,383	57,064	1,040,251	420	202,526		98,832	18,781	2,483,026	73,437	2,050,488
Payroll taxes	48,002	197,091	20,328	76,194	13,041	263,843	1,492	52,443		56,753	3,776	865,973	16,002	644,710
PROFESSIONAL FEES AND CONSULTATIONS														
Client contracted self	9,028	17,862			513	238,940		475,288		17,898		17,898		6,351
Client contracted & therapists											250	3,400,350	3,402,359	3,392,359
Accounting/legal	1,815									89,191		89,191		88,054
Subcontracted services	45,801	16,355	280	12,523		584,218		12,430		43,387		43,387		43,726
Other professional fees						6,396				689,451		689,451	86,515	675,866
STAFF DEVELOPMENT AND TRAINING										122,141		122,141	100	124,067
Journals and publications						215				1,581		1,581	471	2,623
Conferences/conventions			340			530		550		13,217		13,217	2,797	15,924
Other staff development	228	17,433	358	621		5,303		2,884		48,531		75,308	7,675	82,983
OCCUPANCY COSTS														
Real	13,087	65,427			29,827	203,314		13,631				330,286	7,234	337,520
Mortgage payments						9,270						9,270		9,270
Utilities	687	5,137			7,727	105,051		876		67		110,545	887	120,232
Repairs and maintenance	532	1,384			586	21,620		185		25,419		55,378	445	55,823
Other occupancy costs	211	612				4,600		129		1,221		6,773		6,773
CONSUMABLE SUPPLIES														
Office supplies and equipment under \$1,000	1,706	5,717	743	89	131	19,331		2,486		39,229		70,131	4,774	74,905
Building/household	108	3,386				33,511		79		570		37,624	1,450	39,084
Client	49,720	5,125		19,220	107	142,596		16,147		12,217		249,251	1,419	250,670
Medical supplies	786	89				4,722						5,557	5,557	15,106
CONTRIBUTION TO AFFILIATE														
ASSISTANCE TO INDIVIDUALS	4,614	103				352		94,800		149		100,918	2,109	102,121
PRODUCT SALES														
EQUIPMENT PURCHASE	3,161	47,136			516	437		2,512		23,514		47,136		47,136
EQUIPMENT MAINTENANCE	6	6,288				11,233		24		12,745		36,448		31,130
DISSECTION	4,149	12,391	172	8,345	720	22,071		5,140		58,142	7,250	102,828	45,198	148,026
ARTS/CRAFTS	2,888	2,125	1,865		136	1,322		3,358		5,184		21,322	1,082	22,404
PRINTING	7,546	15,847	286	521	2,342	19,897		5,323		22,005		6,312	2,040	23,982
TELEPHONE	256	107	2,160	286						16,351		78,111	2,260	79,371
POSTAGE	22,898	339,407	24,726	9,970	14,468	108,032		38,099	282	9,372		171,740	9,868	181,608
TRANSPORTATION														
INSURANCE	125	220	165			270				49,202		49,202		49,202
MEMBERSHIP DUES								850		21,835		23,465		23,465
IN-KIND DONATIONS										65,000		65,000		65,000
CLIENT PAYMENTS	205	173,103		760		10,630		3,441		5,869		198,528		198,528
BAD DEBTS														
OTHER	4,807	3,025	2,831	92		676		508		15,866	10,425	38,155	8,750	46,905
TOTAL FUNCTIONAL EXPENSES	\$ 1,038,723	\$ 4,042,427	\$ 455,749	\$ 2,913,325	\$ 306,440	\$ 6,260,709	\$ 201,718	\$ 1,602,493	\$ 9,403	\$ 1,553,690	\$ 94,858	\$ 18,468,537	\$ 446,075	\$ 18,914,612
														\$ 2,174,770,418

See Notes to Financial Statements

LAKES REGION COMMUNITY SERVICES COUNCIL, INC.

NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2008 AND 2007

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Lakes Region Community Services Council, Inc. (the Council) is a New Hampshire nonprofit corporation organized exclusively for charitable purposes to ensure there is a coordinated and efficient program of human services dealing effectively with the problems and needs of the developmentally impaired of Belknap County, lower Grafton County and the surrounding communities.

Basis of Accounting

The financial statements of Lakes Region Community Services Council, Inc. have been prepared on the accrual basis of accounting.

Basis of Presentation

The financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards (SFAS) No. 117, Financial Statements of Not-for-Profit Organizations. Under SFAS No. 117, the Council is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. The classes of net assets are determined by the presence or absence of donor restrictions. As of June 30, 2008 and 2007, the Council had only unrestricted net assets.

Contributions

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are restricted by the donor for future periods or for specific purposes are reported as temporarily restricted or permanently restricted support, depending on the nature of the restrictions. However, if a restriction is fulfilled in the same period in which the contribution is received, the Council reports the support as unrestricted.

Property and Depreciation

Property and equipment are recorded at cost or, if donated, at estimated fair market value at the date of donation. Material assets with a useful life in excess of one year are capitalized. Depreciation is provided for using the straight-line method in amounts designed to amortize the cost of the assets over their estimated useful lives as follows:

Leasehold improvements	5 - 40 Years
Furniture, fixtures and equipment	3 - 10 Years

Expenditures for repairs and maintenance are expensed when incurred and betterments are capitalized. Assets sold or otherwise disposed of are removed from the accounts, along with the related accumulated depreciation, and any gain or loss is recognized.

Refundable Advances

Grants received in advance are recorded as refundable advances and recognized as revenue in the period in which the related services or expenditures are incurred.

Summarized Financial Information

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Council's financial statements for the year ended June 30, 2007, from which the summarized information was derived.

Accrued Earned Time

The Council has accrued a liability for future compensated leave time that its employees have earned and which is vested with the employee.

Income Taxes

The Council is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. The Internal Revenue Service has determined the Council to be other than a private foundation.

Cash Equivalents

The Council considers all highly liquid financial instruments with original maturities of three months or less to be cash equivalents.

In-kind Donations

Donated facilities are reflected as revenue and expense in the accompanying financial statements. The donated facilities represent the estimated fair market value of rent expense the Council would incur under a normal lease agreement. The Council currently occupies office facilities owned by the State of New Hampshire. The Council has estimated the fair market value of the annual rental to be \$65,000 and \$32,512 for the years ended June 30, 2008 and 2007, respectively.

Advertising

The Council expenses advertising costs as incurred.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis. Accordingly, costs have been allocated among the programs and supporting services benefited.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

2. INVESTMENTS

Investments are carried at the quoted market value of the securities. The cost and fair value of investments at June 30, 2007 were as follows:

	<u>Cost</u>	<u>Gross Unrealized Gains</u>	<u>Fair Value</u>
U.S. Treasury Securities	\$ 1,437,738	\$ 13,882	\$ 1,451,620
Total	\$ 1,437,738	\$ 13,882	\$ 1,451,620

The securities matured during the year ended June 30, 2008.

3. PROPERTY AND EQUIPMENT

As of June 30, 2008 and 2007, property and equipment consisted of the following:

	<u>06/30/07</u>	<u>Additions</u>	<u>06/30/08</u>
Leasehold improvements	\$ 411,257	\$ 66,267	\$ 477,524
Furniture, fixtures and equipment	722,872	10,806	733,678
Total	1,134,129	\$ 77,073	1,211,202
Less accumulated depreciation	(763,373)		(867,083)
	\$ 370,756		\$ 344,119

4. DEMAND NOTE PAYABLE

The Council maintains a revolving line of credit with a bank. During May 2008, the maximum available credit was increased from \$1,000,000 to \$1,500,000. Interest is stated at the bank's prime lending rate plus .5% or 5.50% and 8.75% at June 30, 2008 and 2007, respectively. There was no interest expense for the years ended June 30, 2008 and 2007. The note is annually renewable, collateralized by all of the business assets of the Council and guaranteed by related nonprofit organizations (see Note 9). At June 30, 2008 and 2007 there was no amount outstanding on this line of credit.

5. RETIREMENT PLAN

The Council maintains a retirement plan for all eligible employees. Under the plan the Council made matching contributions of 100% of a participant's salary reduction that are not in excess of 3% of a participant's compensation. The employees can make voluntary contributions to the plan of up to approximately 15% of gross wages. All employees who work one thousand hours per year are eligible to participate after one year of employment and the attaining of age 21. The Council's contribution to the retirement plan for the years ended June 30, 2008 and 2007 was \$129,792 and \$93,951, respectively.

6. BOARD DESIGNATED FUNDS

As of June 30, 2007, the Board of Directors had designated funds in the amount of \$131,980 to be used for health insurance cost increases. There were no board designated funds at June 30, 2008 (See Note 15).

7. CONCENTRATION OF RISK

For the years ended June 30, 2008 and 2007 approximately 82% and 81%, respectively, of the total revenue was derived from Medicaid. The future existence of the Council is dependent upon continued support from Medicaid.

In order for the Council to receive Medicaid funding, they must be formally approved by the State of New Hampshire, Division of Mental Health and Developmental Services as the provider of services for developmentally disabled individuals for that region. The Council is re-designated by the state every five years. The Council was re-designated during May, 2007.

8. LEASE COMMITMENTS

The Council has entered into various operating lease agreements to rent certain facilities and office equipment for their community residences and other programs. The terms of these leases range from one to ten years. The Council also leases various apartments on behalf of clients on a month-to-month basis. Rent expense under these agreements aggregated \$373,968 and \$379,966 for the years ended June 30, 2008 and 2007, respectively.

The approximate future minimum lease payments on the above leases are as follows:

<u>Year Ending</u> <u>June 30</u>	<u>Amount</u>
2009	\$ 134,008
2010	75,748
2011	75,064
2012	76,960
2013	65,899
Thereafter	<u>1,500</u>
Total	<u>\$ 429,179</u>

Refer to Note 9 for information regarding a lease agreement with a related party.

9. RELATED PARTY TRANSACTIONS

Lakes Region Community Services Council, Inc. is (was) related to the following nonprofit corporations as a result of common board membership.

<u>Related Party</u>	<u>Function</u>
Genera Corporation	Manages and leases property
Greater Laconia Transit Agency	Provides transportation services
New Hampshire Assistive Technology Center	Provided assistive technology and related clinical services

As of July 1, 2007 the Council ended its affiliation with New Hampshire Assistive Technology Center, which became an affiliate of Crotched Mountain Rehabilitation Center (CMRC).

Lakes Region Community Services Council, Inc. has contracts and transactions with the above related parties during its normal course of operations. The significant related party transactions are as follows:

Corporation Received From:	Amount		Purpose
	<u>2008</u>	<u>2007</u>	
Genera Corporation	\$ 14,400	\$ 14,400	Management, Accounting and Financial Services
Genera Corporation	14,988	14,988	Insurance Reimbursement
New Hampshire Assistive Technology Center	-	125,004	Management, Accounting and Financial Services
New Hampshire Assistive Technology Center	-	12,467	Insurance Reimbursement
<u>Paid To:</u>			
Genera Corporation	\$ 113,615	\$ 128,506	Rental of Group Homes
Greater Laconia Transit Agency	-	56,678	Contribution to Affiliate (See Below)
Greater Laconia Transit Agency	-	170,397	Prepaid Expenses Related to Affiliated Organization (See Below)
New Hampshire Assistive Technology Center	-	481,014	Assistive Technology and Clinical Services
<u>Due (To)/From:</u>			
Genera Corporation		<u>2008</u>	<u>2007</u>
		\$ (572,036)	\$ (551,749)
Greater Laconia Transit Agency		1,716	3,300
New Hampshire Assistive Technology Center		-	2,756
		<u>\$ (570,320)</u>	<u>\$ (545,693)</u>

There are no specified terms of payment and no interest stated on the related party due (to) from accounts.

Demand Note Payable

The Council's demand note payable is guaranteed by Genera Corporation and Greater Laconia Transit Agency (see Note 4). New Hampshire Assistive Technology Center guaranteed the demand note payable through June 30, 2007.

Rent

The Council has a perpetual lease agreement with Genera Corporation which calls for annual rent payments. The future minimum lease payments under the lease are \$64,173 annually.

Insurance Reimbursement

Lakes Region Community Services Council, Inc. carries a joint liability policy with the related parties above. Lakes Region Community Services Council, Inc. pays for the coverage in full and then is reimbursed by the affiliates based on contracts between the agencies.

Contribution to Affiliate

During the year ended June 30, 2007 the Council contributed \$56,678 to Greater Laconia Transit Agency, which provides transportation services to the Council. The contribution was used to cover operating expenses of the Agency.

Prepaid Expenses Related to Affiliated Organization

The Council has recorded prepaid expenses related to advances paid to Greater Laconia Transit Agency for the purchase of vehicles to be used solely for the transportation services for the Council's consumers. Total advances for the year ended June 30, 2007 amounted to \$170,397. There were no advances during the year ended June 30, 2008. The Council is expensing these advances over the useful lives of the vehicles (3 - 7 years). Accordingly, Greater Laconia Transit Agency has recorded the advances as deferred revenue and is recognizing income consistently over the useful lives of the vehicles. The total amount of the advances expensed by the Council and included as revenue by Greater Laconia Transit Agency was \$75,566 and \$83,894 for the years ended June 30, 2008 and 2007, respectively.

10. CONTINGENCIES

Grant Compliance

The Council receives funds under various state grants and from Federal sources. Under the terms of these agreements, the Council is required to use the funds within a certain period and for purposes specified by the governing laws and regulations. If expenditures were found not to have been made in compliance with the laws and regulations, the Council might be required to repay the funds.

No provisions have been made for this contingency because specific amounts, if any, have not been determined or assessed by government audits as of June 30, 2008.

11. CLIENT FUNDS

The Council administers funds for certain consumers. No asset or liability has been recorded for this amount. As of June 30, 2008 and 2007, client funds held by the Council aggregated \$190,259 and \$180,892, respectively.

12. GUARANTOR OF THIRD-PARTY INDEBTEDNESS

The Council guarantees the revolving line of credit with a bank of a Laconia nonprofit organization. The maximum available credit is \$25,000. At June 30, 2008 and 2007, there was no amount outstanding on the line of credit.

13. CONCENTRATION OF CREDIT RISK

The Council maintains several of their cash balances at one financial institution. The balances are insured by the Federal Deposit Insurance Corporation up to \$100,000. At June 30, 2008 and 2007, the uninsured cash balances aggregated \$557,375 and \$356,772, respectively. Subsequent to June 30, 2008, the Council transferred \$500,000 of the uninsured cash balance to an insured certificate of deposit account with another bank.

14. FINANCIAL INSTRUMENTS WITH OFF STATEMENT OF FINANCIAL POSITION RISK

The Council is a party to financial instruments with off Statement of Financial Position risk in the normal course of business. A portion of the Council's overnight deposit bank balances are swept into an uninsured repurchase agreement. Repurchase agreement balances were \$616,158 and \$1,201,429 as of June 30, 2008 and 2007, respectively.

15. CONTINGENT LIABILITY HEALTH INSURANCE COSTS

In previous years, the Council experienced significant health insurance claims exceeding the insurance company's estimates. As such, the insurance company informed the Council of the actuarial estimates of the increased health insurance costs incurred. The estimated liability associated with this health insurance cost was \$131,980 for the year ended June 30, 2007. In accordance with the Financial Accounting Standards Board in its Statement of Financial Accounting Standards No. 5, the Council recorded this amounts as a contingent liability at June 30, 2007. There was no contingent liability at June 30, 2008.

16. RECLASSIFICATION

Certain amounts and accounts from the prior year's financial statements were reclassified to enhance comparability with the current year's financial statements.

Lakes Region Community Services Council INC

List of top 5 paid executives:

Name	Position	Annual Salary	Percentage of Salary Paid by This Contract
Christine Santaniello	Executive Director	\$95,999.80	0
Rebecca Bryant	Director of Finance	\$74,263.08	0
Laurie Cachon	Associate Director	\$65,000.00	0
Mary St. Jacques	Assistance Executive Director	\$65,000.00	0
David Emond	Director of Operations	\$58,665.87	0

Lakes Region Community Services
Board of Directors
2008- 2009

✓Randy Perkins, President

1315 NH Highway 140
Gilmanton IW, NH 03837
267-1278 (H) 332-4227 x5319
Cell# 387-0918
email: perkirj@nu.com

✓Frances Gonsalves, Vice-President

34 Sunrise Circle
Plymouth, NH 03264
536-1360 (H) 536-1254 x21 or 14 (W)
email: fgonsalves@sau48.org

✓*Garv Lemay, Treasurer

80 Needle Eye Road
Meredith, NH 03253
366-4969 (H) 286-8374 x5440 (W)
345-5115 (Cell)
email: lemaygs@nu.com

✓*Susan Gunther, Secretary

28 Jay Drive
Gilford, NH 03249
293-7371 (H) 527-2460 x526 (W)
email: SGunther@Gilford.K12.NH.US
email2: smgunther@metrocast.net

✓Carrie Chase

53 Wlnona Road
Meredith, NH 03253
279-9123 (H) 279-7237 (W) 455-1035 (Cell)
email: cbmchase@metrocast.net

✓Margaret Plumer

34 Kinsman Drive
Laconia, NH 03246
524-1024 (H) 527-6030 (W)
email: perfectfriend2@yahoo.com

✓Margaret Selig

Director of Laconia Adult Ed
Laconia High School
345 Union Avenue
Laconia, NH 03246
524-5712 (W) 524-0109 (H)
email: pselig@laconia.k12.nh.us

✓*Irene Gage

322 Shore Drive
Laconia, NH 03246
524-9607 (H)
Email: wlg@metrocast.net

*Benjamin Phillips

23 Mile Hill
Belmont, NH 03220
527-2614 (H) 524-8733 (W)

Kathleen Holoubek

71 Admiral's Lane
Laconia, NH 03246
528-6519 (H) 603-520-8833 (Cell)
email: kathleen.holoubek@nemoves.com

N. Tobias Paddock

16 Fenton Avenue
Laconia, NH 03246
528-8468 (H) 524-1300 (W)
Cell# 396-1091
email: n.tobiaspaddock@gmail.com

John Markland

P. O. Box 7015
Gilford, NH 03247-7015
875-7984 (H) 527-4737 (W) 603-630-1279 (Cell)
Email: j.markland@gilfordpd.org

Heather Loisel

47 Leighton Avenue South
Laconia, NH 03246
527-9455 (H) 527-9456 (W) 610-864-6854 (Cell)
Email: heather.loisel@sap.com

✓ Denotes Executive Board Member
* Denotes a Board Member Consumer
(6/4/08; 7/21/08, 8/29/08); 9/26/08

Maureen LaClair
18 Queen Street
Boscawen, NH 03303
(603) 731-3331

EDUCATION

Bachelor of Arts in Child Development, May 2001
Notre Dame College, Manchester, New Hampshire

Associate of Science in Early Childhood Education, May 1994
NHTI, Concord's Community College, Concord, NH

BUSINESS EXPERIENCE

Childcare Resource and Referral Manager
Lakes Region Community Services, Laconia, NH, August 2002 - present.

Adjunct Faculty

NHTI, Concord, Community College, Concord, NH, September 2004 – present.

Coordinator, Resource Center for Early Childhood Professionals
Lakes Region Community Services, Laconia, NH, September 2001-August 2002.

Administrative Assistant, NH Department of Education, January 1986 –
September 2001

PROFESSIONAL ORGANIZATIONS

National Association for the Education of Young Children (NAEYC)
Early Learning New Hampshire
Early Education Intervention Network (EEIN)

**Credentialed as Trainer, Mentor, Faculty 2 through the NH Professional
Development System**

Karen Welford
68 Drummer Trail
Laconia, New Hampshire
603 524-8944
kwelford@metrocast.net

Professional Experience

Lakes Region Community Service Council Laconia New Hampshire Director, Family Support	August 2006 - present
Adjunct Professor Plymouth State University Department of Education	January 2008-present
Region 1 Head Start Quality Initiative Donahue Institute – University of Massachusetts Technical Assistance Specialist	November 2003- August 2006
Lakes Region Community Services Council Coordinator, <i>Quality Matters: A Lakes Region Early Childhood Initiative</i>	October 2002-November 2003
New Hampshire Department Health and Human Services Division of Developmental Services Concord, New Hampshire DIRECTOR – PROFESSIONAL DEVELOPMENT AND QUALITY FAMILY-CENTERED EARLY SUPPORTS AND SERVICES (NH EARLY INTERVENTION SYSTEM)	2000-October 2002
Massachusetts Department of Public Health Boston, Massachusetts DIRECTOR, EARLY INTERVENTION FIELD SERVICES.	1993-2000
New England Memorial Hospital Stoneham, Massachusetts DIRECTOR, EARLY INTERVENTION PROGRAM	1985-1993

Education

Fitchburg State College
Fitchburg, Massachusetts
 Bachelor of Science in Nursing

McCormack Institute of Public Policy - University of Massachusetts
Boston, Massachusetts
 Master of Science in Public Affairs
 Awarded *Outstanding Achievement Award*- 1996

Relevant Professional Experiences

New Hampshire Interagency Coordinating Council
2009-present

New Hampshire Child Care Advisory Council
2008-present

New Hampshire Early Education and Intervention Network
2006-2009
President 2007-2009

Massachusetts Infant Toddler Services Summit
1997-2000
Chair 1997-2000

Massachusetts Early Intervention Consortium
1985-1993
President 1990-1993

PRODUCER

Melcher&Prescott-Moultonboro
PO Box 1125
Moultonboro NH 03254-1125
Phone: 603-476-8000 Fax: 603-476-5785

INSURED

LR Community Services Council
Rebecca L. Bryant
67 Communications Drive
Laconia NH 03246

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURERS AFFORDING COVERAGE

NAIC #

INSURER A: Philadelphia Indemnity Ins Co.
INSURER B: Granite State Work Comp Manuf
INSURER C:
INSURER D:
INSURER E:

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR ADD'L LTR INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC	PHPK504992	12/01/09	12/01/10	EACH OCCURRENCE \$ 1000000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100000 MED EXP (Any one person) \$ 5000 PERSONAL & ADV INJURY \$ 1000000 GENERAL AGGREGATE \$ 3000000 PRODUCTS - COMP/OP AGG \$ 3000000 Emp Ben. 1000000
A	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input checked="" type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS	PHPK504992	12/01/09	12/01/10	COMBINED SINGLE LIMIT (Ea accident) \$ 1000000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
	GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN EA ACC \$ AUTO ONLY: AGG \$
	EXCESS/UMBRELLA LIABILITY <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE DEDUCTIBLE RETENTION \$				EACH OCCURRENCE \$ AGGREGATE \$ \$ \$ \$ \$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below OTHER	WC01081119	01/01/09	12/31/09	<input checked="" type="checkbox"/> WC STATU-TORY LIMITS <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 1000000 E.L. DISEASE - EA EMPLOYEE \$ 1000000 E.L. DISEASE - POLICY LIMIT \$ 1000000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS

State(s) Covered: NH

Officer Exclusion Form does not apply.


CERTIFICATE HOLDER

State of NH Dept of Health &
Human Services D.C.Y.F.
Attn Patrick McGowan
129 Pleasant Street
Concord NH 03301

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE



IMPORTANT

If the certificate holder is an **ADDITIONAL INSURED**, the policy(ies) must be endorsed. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

If **SUBROGATION IS WAIVED**, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

DISCLAIMER

The Certificate of Insurance on the reverse side of this form does not constitute a contract between the issuing insurer(s), authorized representative or producer, and the certificate holder, nor does it affirmatively or negatively amend, extend or alter the coverage afforded by the policies listed thereon.

LAKES REGION COMMUNITY SERVICES COUNCIL, INC.

JUNE 30, 2008

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To the Board of Directors of
Lakes Region Community Services Council, Inc.
Laconia, New Hampshire

INDEPENDENT AUDITORS' REPORT

We have audited the accompanying statements of financial position of Lakes Region Community Services Council, Inc. (a nonprofit organization) as of June 30, 2008 and 2007, and the related statements of activities and cash flows for the years then ended, and the related statements of functional revenues and functional expenses for the year ended June 30, 2008. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audits. The prior year summarized comparative information has been derived from the Organization's 2007 financial statements and, in our report dated September 28, 2007, we expressed an unqualified opinion on those financial statements.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, and assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Lakes Region Community Services Council, Inc. as of June 30, 2008 and 2007, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Leone, McDonnell & Roberts
Professional Association

September 29, 2008
Wolfeboro, New Hampshire

LAKE REGION COMMUNITY SERVICES COUNCIL, INC.

STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2008 AND 2007

ASSETS

	<u>2008</u>	<u>2007</u>
Cash and equivalents:		
Cash in bank	\$ 770,188	\$ 1,326,653
Certificates of deposits	489,939	276,332
Federated managed funds	1,096,562	389
Investments		1,451,620
Accounts receivable:		
Medicaid	1,832,305	823,184
Other, net of allowance for doubtful accounts of \$50,000 at June 30, 2008 and 2007	147,327	215,529
Prepaid expenses	360,093	640,507
Deposits	33,760	36,510
Property and equipment, net of accumulated depreciation	<u>344,119</u>	<u>370,756</u>
Total assets	<u>\$ 5,074,293</u>	<u>\$ 5,141,480</u>

LIABILITIES AND NET ASSETS

LIABILITIES		
Accounts payable	\$ 462,253	\$ 339,644
Accrued salaries, wages, and related expenses	465,787	379,272
Accrued earned time	319,315	302,562
Refundable advances	131,390	188,830
Other accrued expenses	39,020	31,453
Due to affiliates	570,320	545,693
Contingent liability, health insurance costs		<u>131,980</u>
Total liabilities	<u>1,988,085</u>	<u>1,919,434</u>
	<i>ratio 0.384</i>	<i>2/14/1</i>
NET ASSETS		
Unrestricted		
Board designated for health insurance costs		131,980
Other unrestricted	<u>3,086,208</u>	<u>3,090,066</u>
Total net assets	<u>3,086,208</u>	<u>3,222,046</u>
Total liabilities and net assets	<u>\$ 5,074,293</u>	<u>\$ 5,141,480</u>

See Notes to Financial Statements

LAKE REGION COMMUNITY SERVICES COUNCIL, INC.

**STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED JUNE 30, 2008 AND 2007**

	<u>2008</u>	<u>2007</u>
CHANGES IN UNRESTRICTED NET ASSETS		
Revenues		
Program fees	\$ 1,020,275	\$ 986,559
Medicaid	15,365,020	14,124,351
Client resources	48,625	40,267
Other third party payers	180,020	237,283
Public support	366,622	300,659
Private foundations	122,834	49,388
Production/service income	301,261	252,475
Investment	69,306	127,675
In-kind donations	65,000	32,512
State of New Hampshire - DDS	1,052,089	1,041,408
Management fees	57,845	139,404
Other	129,877	60,546
Total revenues	<u>18,778,774</u>	<u>17,392,527</u>
Expenses		
Program services		
Service coordination	1,039,733	1,061,459
Day programs	4,042,427	3,613,919
Early intervention	445,759	371,446
Enhanced family care	2,912,326	2,911,381
Community options	305,440	302,671
Community residences	6,260,700	5,662,888
Transportation	201,718	192,926
Family support	1,602,493	1,376,183
ATEC		4,536
Other DDS	9,403	5,632
Other programs	446,075	378,967
Supporting activities		
General management	1,553,680	1,588,410
Fundraising	94,858	
Total expenses	<u>18,914,612</u>	<u>17,470,418</u>
DECREASE IN UNRESTRICTED NET ASSETS	(135,838)	(77,891)
UNRESTRICTED NET ASSETS, BEGINNING OF YEAR	<u>3,222,046</u>	<u>3,299,937</u>
UNRESTRICTED NET ASSETS, END OF YEAR	<u>\$ 3,086,208</u>	<u>\$ 3,222,046</u>

See Notes to Financial Statements

LAKES REGION COMMUNITY SERVICES COUNCIL, INC.

**STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2008 AND 2007**

	<u>2008</u>	<u>2007</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Decrease in unrestricted net assets	\$ (135,838)	\$ (77,891)
Adjustments to reconcile decrease in unrestricted net assets to net cash from operating activities:		
Depreciation and amortization	103,710	115,062
Unrealized gain on investments		(13,882)
(Increase) decrease in assets:		
Accounts receivable	(940,919)	357,845
Prepaid expenses	280,414	(209,685)
Deposits	2,750	(8,300)
Increase (decrease) in liabilities:		
Accounts payable	122,609	(34,842)
Accrued salaries, wages, and related expenses	86,515	39,849
Accrued earned time	16,753	21,018
Refundable advances	(57,440)	(30,578)
Other accrued expenses	7,567	29,623
Contingent liability, health insurance costs	(131,980)	(21,510)
NET CASH (USED IN) PROVIDED BY OPERATING ACTIVITIES	<u>(645,859)</u>	<u>166,709</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of investments		(60,408)
Proceeds from maturity of investments	1,451,620	
Additions to property and equipment	(77,073)	(50,449)
NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES	<u>1,374,547</u>	<u>(110,857)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in due to affiliate	24,627	90,369
NET CASH PROVIDED BY FINANCING ACTIVITIES	<u>24,627</u>	<u>90,369</u>
NET INCREASE IN CASH AND EQUIVALENTS	753,315	146,221
CASH AND EQUIVALENTS, BEGINNING OF YEAR	<u>1,603,374</u>	<u>1,457,153</u>
CASH AND EQUIVALENTS, END OF YEAR	<u>\$ 2,356,689</u>	<u>\$ 1,603,374</u>

See Notes to Financial Statements

LAKES REGION COMMUNITY SERVICES COUNCIL, INC.

STATEMENT OF FUNCTIONAL REVENUES
FOR THE YEAR ENDED JUNE 30, 2008

WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION

	Service Coordination	Day Programs	Early Intervention	Enhanced Family Care	Community Outings	Community Respite	Transportation	Family Support	Other DOS	General Management	Fundraising	Total DOS Funded	Total Non-DOS Funded	2008 Totals	2007 Totals
Program fees	\$ 574,706	\$ 3,367,792	\$ 9,825	\$ 652,624	\$ 2,805	\$ 285,332		\$ 4,172	\$ 38,347	\$ 13,170		\$ 4,022,275	\$ 10,452	\$ 1,020,275	\$ 986,559
Medicaid			\$ 425,374	\$ 3,387,273	\$ 173,857	\$ 5,875,222		\$ 1,486,591		\$ 53,647		\$ 15,354,568	\$ 15,365,020	\$ 15,365,020	\$ 14,124,351
Client resources		6,120		29,594		12,911		13,808				48,625	180,020	180,020	40,267
Other third party payers		21,731						1,525			\$ 18,418	28,418	338,204	366,622	237,283
Public support		10,000					\$ 97				5,000	6,525	116,309	122,834	300,559
Private foundations												271,212	30,049	301,251	49,388
Production/service income	744	270,371										69,306	69,306	69,306	252,475
Investment												55,000		55,000	127,575
In-kind donations												1,052,089		1,052,089	32,512
Sale of New Hampshire - DDS												51,608	6,227	57,845	1,041,408
Management fees												111,715	18,162	129,877	139,404
Other		23,509	58			21,384	2,424	150		54,150					60,546
TOTAL FUNCTIONAL REVENUES	\$ 575,450	\$ 3,659,823	\$ 435,297	\$ 4,083,457	\$ 176,662	\$ 6,339,330	\$ 2,571	\$ 1,506,346	\$ 38,347	\$ 1,374,870	\$ 23,418	\$ 13,289,361	\$ 519,413	\$ 18,778,774	\$ 17,392,577

See Notes to Financial Statements

LAKES REGION COMMUNITY SERVICES COUNCIL, INC.

**STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2008**

WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION

	Service Coordination	Day Programs	Early Intervention	Enhanced Family Care	Community Options	Community Residences	Transportation	Family Support	Other DDS	General Management	Fundraising	Total DDS Funded	Total Non-DDS Funded	2008 Totals	2007 Totals
PERSONNEL COSTS															
Salaries and wages	\$ 612,723	\$ 2,356,806	\$ 309,722	\$ 138,005	\$ 178,058	\$ 3,402,241	\$ 13,477	\$ 696,154		\$ 740,464	\$ 47,596	\$ 8,471,064	\$ 231,054	\$ 8,702,118	\$ 8,106,916
Employee benefits	138,434	736,479	81,826	47,393	57,004	1,040,231	420	203,526		98,632	18,781	2,483,026	73,437	2,556,463	2,090,498
Payroll taxes	48,002	197,091	20,328	10,194	13,041	263,843	1,492	52,443		56,763	3,776	666,373	18,002	684,375	644,710
PROFESSIONAL FEES AND CONSULTATIONS															
Client contracted staff	9,028	17,352		2,657,360	513	238,340		476,208		17,898		17,898		17,898	6,351
Client treatment & therapies	1,915									199		3,400,350		3,400,350	3,302,389
Accounting/auditing										89,191		89,191		89,191	88,054
Legal										41,367		41,367		41,367	43,202
Subcontract services	45,901	16,355	280	12,623		594,218		12,430	\$ 9,121	44,769		609,451	66,515	675,966	459,663
Other professional fees						6,595						122,741	100	122,841	124,067
STAFF DEVELOPMENT AND TRAINING															
Journals and publications						215		550		1,561		2,152	471	2,623	8,197
Conference/conferences						5,303		2,834		12,667		13,217	2,707	15,924	4,749
Other staff development	228	17,453	358	621						48,531		75,308	7,675	82,983	116,322
OCCUPANCY COSTS															
Rent	18,087	65,427			29,827	203,314		13,631				330,286	7,234	337,520	348,836
Mortgage payments						9,270						9,270		9,270	18,891
Utilities	697	5,137			7,727	105,081		876		12,745		119,345	667	120,222	126,763
Repairs and maintenance	532	1,394		5,643	595	21,628		165		25,419		56,378	445	56,823	69,749
Other occupancy costs	211	612				4,600		129		1,221		6,773		6,773	4,073
CONSUMABLE SUPPLIES															
Office supplies and equipment under \$1,000	1,706	5,717	743	89	131	19,331		2,486		39,229	699	70,131	4,774	74,905	74,390
Building/household	108	3,965				33,511		79		570		37,634	1,458	39,084	28,574
Medical supplies	48,793	9,125		19,220	107	142,598		18,147		12,217		249,251	1,419	250,670	283,982
Medical supplies	765	89				4,722						5,557		5,557	15,106
CONTRIBUTION TO AFFILIATE ASSISTANCE TO INDIVIDUALS															
PRODUCT SALES	4,814	103				332		94,800		149		100,018	2,103	102,121	93,052
EQUIPMENT RENTAL	47,136					437		2,512				47,186		47,186	57,854
EQUIPMENT MAINTENANCE	3,181	6,208		9,345	616	11,233		24		23,514		36,448		36,448	31,130
DEPRECIATION	4,149	12,204	172		720	22,071		5,140		12,745	7,250	45,198		45,198	45,477
ADVERTISING	2,989	2,375			196	1,522		3,638		58,142		102,828	1,082	103,710	115,062
PRINTING		89		521						5,194		21,522		23,692	58,128
TELEPHONE	7,546	15,947	2,160	285	2,342	19,887		5,383		4,205		6,912	233	7,145	4,364
POSTAGE	255	107						140		22,551		76,711	3,280	79,971	96,848
TRANSPORTATION	23,896	339,407	24,726	9,970	14,469	108,032		33,099	282	16,249	693	17,737	1,968	19,725	18,464
INSURANCE										9,872		71,149	9,863	721,617	690,408
MEMBERSHIP DUES	125	220	165			270		850		49,202	205	88,960		89,162	79,791
IN-KIND DONATIONS				160		10,650				21,835		23,465	781	24,246	21,679
CLIENT PAYMENTS	205	178,103						3,441		65,000		65,000		65,000	32,512
BAD DEBTS										5,989		198,328		198,328	155,591
OTHER	4,807	3,025	2,681	62	5	628		508		15,985	10,425	38,155	8,750	46,905	41,425
TOTAL FUNCTIONAL EXPENSES	\$ 1,039,733	\$ 4,042,527	\$ 445,752	\$ 2,912,306	\$ 395,442	\$ 6,680,700	\$ 201,718	\$ 1,602,493	\$ 9,403	\$ 1,553,680	\$ 94,858	\$ 13,468,637	\$ 446,075	\$ 13,914,612	\$ 17,470,413

LAKES REGION COMMUNITY SERVICES COUNCIL, INC.

NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2008 AND 2007

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Lakes Region Community Services Council, Inc. (the Council) is a New Hampshire nonprofit corporation organized exclusively for charitable purposes to ensure there is a coordinated and efficient program of human services dealing effectively with the problems and needs of the developmentally impaired of Belknap County, lower Grafton County and the surrounding communities.

Basis of Accounting

The financial statements of Lakes Region Community Services Council, Inc. have been prepared on the accrual basis of accounting.

Basis of Presentation

The financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards (SFAS) No. 117, Financial Statements of Not-for-Profit Organizations. Under SFAS No. 117, the Council is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. The classes of net assets are determined by the presence or absence of donor restrictions. As of June 30, 2008 and 2007, the Council had only unrestricted net assets.

Contributions

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are restricted by the donor for future periods or for specific purposes are reported as temporarily restricted or permanently restricted support, depending on the nature of the restrictions. However, if a restriction is fulfilled in the same period in which the contribution is received, the Council reports the support as unrestricted.

Property and Depreciation

Property and equipment are recorded at cost or, if donated, at estimated fair market value at the date of donation. Material assets with a useful life in excess of one year are capitalized. Depreciation is provided for using the straight-line method in amounts designed to amortize the cost of the assets over their estimated useful lives as follows:

Leasehold improvements	5 - 40 Years
Furniture, fixtures and equipment	3 - 10 Years

Expenditures for repairs and maintenance are expensed when incurred and betterments are capitalized. Assets sold or otherwise disposed of are removed from the accounts, along with the related accumulated depreciation, and any gain or loss is recognized.

Refundable Advances

Grants received in advance are recorded as refundable advances and recognized as revenue in the period in which the related services or expenditures are incurred.

Summarized Financial Information

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Council's financial statements for the year ended June 30, 2007, from which the summarized information was derived.

Accrued Earned Time

The Council has accrued a liability for future compensated leave time that its employees have earned and which is vested with the employee.

Income Taxes

The Council is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. The Internal Revenue Service has determined the Council to be other than a private foundation.

Cash Equivalents

The Council considers all highly liquid financial instruments with original maturities of three months or less to be cash equivalents.

In-kind Donations

Donated facilities are reflected as revenue and expense in the accompanying financial statements. The donated facilities represent the estimated fair market value of rent expense the Council would incur under a normal lease agreement. The Council currently occupies office facilities owned by the State of New Hampshire. The Council has estimated the fair market value of the annual rental to be \$65,000 and \$32,512 for the years ended June 30, 2008 and 2007, respectively.

Advertising

The Council expenses advertising costs as incurred.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis. Accordingly, costs have been allocated among the programs and supporting services benefited.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

2. INVESTMENTS

Investments are carried at the quoted market value of the securities. The cost and fair value of investments at June 30, 2007 were as follows:

	<u>Cost</u>	<u>Gross Unrealized Gains</u>	<u>Fair Value</u>
U.S. Treasury Securities	\$ 1,437,738	\$ 13,882	\$ 1,451,620
Total	\$ 1,437,738	\$ 13,882	\$ 1,451,620

The securities matured during the year ended June 30, 2008.

3. PROPERTY AND EQUIPMENT

As of June 30, 2008 and 2007, property and equipment consisted of the following:

	<u>06/30/07</u>	<u>Additions</u>	<u>06/30/08</u>
Leasehold improvements	\$ 411,257	\$ 66,267	\$ 477,524
Furniture, fixtures and equipment	<u>722,872</u>	<u>10,806</u>	<u>733,678</u>
Total	1,134,129	\$ <u>77,073</u>	1,211,202
Less accumulated depreciation	<u>(763,373)</u>		<u>(867,083)</u>
	<u>\$ 370,756</u>		<u>\$ 344,119</u>

4. DEMAND NOTE PAYABLE

The Council maintains a revolving line of credit with a bank. During May 2008, the maximum available credit was increased from \$1,000,000 to \$1,500,000. Interest is stated at the bank's prime lending rate plus .5% or 5.50% and 8.75% at June 30, 2008 and 2007, respectively. There was no interest expense for the years ended June 30, 2008 and 2007. The note is annually renewable, collateralized by all of the business assets of the Council and guaranteed by related nonprofit organizations (see Note 9). At June 30, 2008 and 2007 there was no amount outstanding on this line of credit.

5. RETIREMENT PLAN

The Council maintains a retirement plan for all eligible employees. Under the plan the Council made matching contributions of 100% of a participant's salary reduction that are not in excess of 3% of a participant's compensation. The employees can make voluntary contributions to the plan of up to approximately 15% of gross wages. All employees who work one thousand hours per year are eligible to participate after one year of employment and the attaining of age 21. The Council's contribution to the retirement plan for the years ended June 30, 2008 and 2007 was \$129,792 and \$93,951, respectively.

6. BOARD DESIGNATED FUNDS

As of June 30, 2007, the Board of Directors had designated funds in the amount of \$131,980 to be used for health insurance cost increases. There were no board designated funds at June 30, 2008 (See Note 15).

7. CONCENTRATION OF RISK

For the years ended June 30, 2008 and 2007 approximately 82% and 81%, respectively, of the total revenue was derived from Medicaid. The future existence of the Council is dependent upon continued support from Medicaid.

In order for the Council to receive Medicaid funding, they must be formally approved by the State of New Hampshire, Division of Mental Health and Developmental Services as the provider of services for developmentally disabled individuals for that region. The Council is re-designated by the state every five years. The Council was re-designated during May, 2007.

8. LEASE COMMITMENTS

The Council has entered into various operating lease agreements to rent certain facilities and office equipment for their community residences and other programs. The terms of these leases range from one to ten years. The Council also leases various apartments on behalf of clients on a month-to-month basis. Rent expense under these agreements aggregated \$373,968 and \$379,966 for the years ended June 30, 2008 and 2007, respectively.

The approximate future minimum lease payments on the above leases are as follows:

<u>Year Ending</u> <u>June 30</u>	<u>Amount</u>
2009	\$ 134,008
2010	75,748
2011	75,064
2012	76,960
2013	65,899
Thereafter	<u>1,500</u>
Total	<u>\$ 429,179</u>

Refer to Note 9 for information regarding a lease agreement with a related party.

9. RELATED PARTY TRANSACTIONS

Lakes Region Community Services Council, Inc. is (was) related to the following nonprofit corporations as a result of common board membership.

<u>Related Party</u>	<u>Function</u>
Genera Corporation	Manages and leases property
Greater Laconia Transit Agency	Provides transportation services
New Hampshire Assistive Technology Center	Provided assistive technology and related clinical services

As of July 1, 2007 the Council ended its affiliation with New Hampshire Assistive Technology Center, which became an affiliate of Crotched Mountain Rehabilitation Center (CMRC).

Lakes Region Community Services Council, Inc. has contracts and transactions with the above related parties during its normal course of operations. The significant related party transactions are as follows:

Corporation Received From:	Amount		Purpose
	<u>2008</u>	<u>2007</u>	
Genera Corporation	\$ 14,400	\$ 14,400	Management, Accounting and Financial Services
Genera Corporation	14,988	14,988	Insurance Reimbursement
New Hampshire Assistive Technology Center	-	125,004	Management, Accounting and Financial Services
New Hampshire Assistive Technology Center	-	12,467	Insurance Reimbursement
<u>Paid To:</u>	<u>2008</u>	<u>2007</u>	
Genera Corporation	\$ 113,615	\$ 128,506	Rental of Group Homes
Greater Laconia Transit Agency	-	56,678	Contribution to Affiliate (See Below)
Greater Laconia Transit Agency	-	170,397	Prepaid Expenses Related to Affiliated Organization (See Below)
New Hampshire Assistive Technology Center	-	481,014	Assistive Technology and Clinical Services
<u>Due (To)/From:</u>	<u>2008</u>	<u>2007</u>	
Genera Corporation	\$ (572,036)	\$ (551,749)	
Greater Laconia Transit Agency	1,716	3,300	
New Hampshire Assistive Technology Center	-	2,756	
	<u>\$ (570,320)</u>	<u>\$ (545,693)</u>	

There are no specified terms of payment and no interest stated on the related party due (to) from accounts.

Demand Note Payable

The Council's demand note payable is guaranteed by Genera Corporation and Greater Laconia Transit Agency (see Note 4). New Hampshire Assistive Technology Center guaranteed the demand note payable through June 30, 2007.

Rent

The Council has a perpetual lease agreement with Genera Corporation which calls for annual rent payments. The future minimum lease payments under the lease are \$64,173 annually.

Insurance Reimbursement

Lakes Region Community Services Council, Inc. carries a joint liability policy with the related parties above. Lakes Region Community Services Council, Inc. pays for the coverage in full and then is reimbursed by the affiliates based on contracts between the agencies.

Contribution to Affiliate

During the year ended June 30, 2007 the Council contributed \$56,678 to Greater Laconia Transit Agency, which provides transportation services to the Council. The contribution was used to cover operating expenses of the Agency.

Prepaid Expenses Related to Affiliated Organization

The Council has recorded prepaid expenses related to advances paid to Greater Laconia Transit Agency for the purchase of vehicles to be used solely for the transportation services for the Council's consumers. Total advances for the year ended June 30, 2007 amounted to \$170,397. There were no advances during the year ended June 30, 2008. The Council is expensing these advances over the useful lives of the vehicles (3 - 7 years). Accordingly, Greater Laconia Transit Agency has recorded the advances as deferred revenue and is recognizing income consistently over the useful lives of the vehicles. The total amount of the advances expensed by the Council and included as revenue by Greater Laconia Transit Agency was \$75,566 and \$83,894 for the years ended June 30, 2008 and 2007, respectively.

10. CONTINGENCIES**Grant Compliance**

The Council receives funds under various state grants and from Federal sources. Under the terms of these agreements, the Council is required to use the funds within a certain period and for purposes specified by the governing laws and regulations. If expenditures were found not to have been made in compliance with the laws and regulations, the Council might be required to repay the funds.

No provisions have been made for this contingency because specific amounts, if any, have not been determined or assessed by government audits as of June 30, 2008.

11. CLIENT FUNDS

The Council administers funds for certain consumers. No asset or liability has been recorded for this amount. As of June 30, 2008 and 2007, client funds held by the Council aggregated \$190,259 and \$180,892, respectively.

12. GUARANTOR OF THIRD-PARTY INDEBTEDNESS

The Council guarantees the revolving line of credit with a bank of a Laconia nonprofit organization. The maximum available credit is \$25,000. At June 30, 2008 and 2007, there was no amount outstanding on the line of credit.

13. CONCENTRATION OF CREDIT RISK

The Council maintains several of their cash balances at one financial institution. The balances are insured by the Federal Deposit Insurance Corporation up to \$100,000. At June 30, 2008 and 2007, the uninsured cash balances aggregated \$557,375 and \$356,772, respectively. Subsequent to June 30, 2008, the Council transferred \$500,000 of the uninsured cash balance to an insured certificate of deposit account with another bank.

14. FINANCIAL INSTRUMENTS WITH OFF STATEMENT OF FINANCIAL POSITION RISK

The Council is a party to financial instruments with off Statement of Financial Position risk in the normal course of business. A portion of the Council's overnight deposit bank balances are swept into an uninsured repurchase agreement. Repurchase agreement balances were \$616,158 and \$1,201,429 as of June 30, 2008 and 2007, respectively.

15. CONTINGENT LIABILITY HEALTH INSURANCE COSTS

In previous years, the Council experienced significant health insurance claims exceeding the insurance company's estimates. As such, the insurance company informed the Council of the actuarial estimates of the increased health insurance costs incurred. The estimated liability associated with this health insurance cost was \$131,980 for the year ended June 30, 2007. In accordance with the Financial Accounting Standards Board in its Statement of Financial Accounting Standards No. 5, the Council recorded this amounts as a contingent liability at June 30, 2007. There was no contingent liability at June 30, 2008.

16. RECLASSIFICATION

Certain amounts and accounts from the prior year's financial statements were reclassified to enhance comparability with the current year's financial statements.

